

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

#### ON THE FOLLOWING MEASURE:

S.B. NO. 3335, S.D. 2, RELATING TO CANNABIS.

#### **BEFORE THE:**

HOUSE COMMITTEES ON JUDICIARY AND HAWAIIAN AFFAIRS AND ON AGRICULTURE AND FOOD SYSTEMS

**DATE:** Wednesday, March 13, 2024 **TIME:** 2:00 p.m.

**LOCATION:** State Capitol, Room 325 and Videoconference

**TESTIFIER(S):** Anne E. Lopez, Attorney General, or

Dave Day, Special Assistant to the Attorney General, or

Andrew Goff, Deputy Attorney General

Chairs Tarnas and Gates and Members of the Committees:

The Department of the Attorney General (Department) offers the following comments on this bill. The Department's full position on cannabis legislation is set forth in the *Report Regarding the Final Draft Bill Entitled "Relating to Cannabis,"* (Report) prepared by the Department of the Attorney General, dated January 5, 2024, which is attached hereto. If the Legislature chooses to legalize adult-use cannabis, legislation should be balanced and moderate, with a focus on protecting public health and public safety to the greatest extent possible.

The purpose of this bill is to create a comprehensive regulatory framework for all aspects of cannabis, including medical cannabis, adult-use cannabis, and hemp by:

(1) establishing the Hawaii Hemp and Cannabis Authority (HHCA), Hemp and Cannabis Control Board (HCCB), and Hemp and Cannabis Control Implementation Advisory Committee within the Department of Commerce and Consumer Affairs; (2) establishing laws for the cultivation, manufacture, sale, and personal use of adult-use cannabis; (3) amending or repealing certain existing laws relating to cannabis, including hemp; (4) establishing taxes for adult-use cannabis sales; (5) legalizing the possession of certain amounts of adult-use cannabis for individuals twenty-one years of age and over beginning January 1, 2026; and (6) transferring the personnel and assets of the

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Department of Health and assets of the Department of Agriculture to the HHCA, among other things.

We note initially that this bill contains blanked-out appropriations. If the Legislature decides to legalize cannabis, it is essential that funds be appropriated to enable the timely implementation of a substantial regulatory program and for law enforcement, nuisance abatement, and a public-education campaign prior to legalization, among other things.

The Department also has concerns regarding several changes made in Senate Draft 2 of the bill.

As provided in the Report on page 34, the Department opposes the inclusion of any "provision that would prevent parole or probation from being revoked for the use of cannabis." Senate Draft 2 adds a new section A-51(f), which would prohibit a finding that a condition of parole, probation, or pre-trial release has been violated for all manner of activities relating to cannabis, including its use, unless there is a specific finding that "the individual's use, cultivation, or possession of cannabis could create a danger to the individual or another person." Page 88, lines 4-12. This provision places the ability of those on parole, probation, or pre-trial release to engage in cannabis activities ahead of long-standing criminal-justice prerogatives and could have unintended consequences if the parolee is required to undergo a substance treatment program pursuant to section 353-66(f), is on parole or probation for drug-related crimes, or if the parolee is subsequently charged with a federal crime related to cannabis, among other things. The Department strongly opposes this provision and respectfully requests that it be deleted.

The Department also has concerns regarding the provision in proposed section A-51(g) that broadly prohibits the State from imposing any penalty or denying any benefit or entitlement based on the use of cannabis or an employee testing positive for cannabis on page 88, lines 13-19. Such a broad provision may put at risk federal funding for state or county agencies that are required to comply with the Drug Free Workplace Act and the attendant drug testing that is done to comply with the law. It also impacts state or county agencies that have employees whose jobs require

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commercial vehicle licenses. The requirements of and procedures for drug testing have been included in at least two collective bargaining agreements, which would be impacted by the inclusion of this provision. The Department recommends that the provision on page 88, lines 13-18, be removed from the bill, or alternatively, the Department recommends that the following amendment be made to the proposed section A-51(g) on page 88, lines 13-18:

(g) Except as provided in this [section,] chapter, the State and any of its political subdivisions shall not impose any [penalty] discipline upon an employee or deny an employee any benefit or entitlement for conduct permitted under this chapter or for the presence of cannabinoids or cannabinoid metabolites in the urine, blood, saliva, breath, hair, or other tissue or fluid of a person who is at least twenty-one years of age[-], unless the failure to do so would cause the State or any of its political subdivisions to lose a monetary or licensing-related benefit under a contract or federal law, or otherwise violate federal law. This subsection shall not be construed to prohibit the State or any of its political subdivisions from conducting drug testing and using the results of those tests for the discipline of an employee if the testing is done to comply with federal requirements or in accordance with the applicable collective bargaining agreement.

Finally, the Department notes that the bill condenses three separate special funds established in the original bill, the cannabis regulation special fund, cannabis nuisance abatement special fund, and cannabis law enforcement special fund, into one special fund: the cannabis regulation, nuisance abatement, and law enforcement special fund. See page 53, line 10, through page 55, line 2. We note that this special fund would be administered and expended by three separate agencies: the HHCA, the Department of the Attorney General, and the Department of Law Enforcement. See page 53, line 11, through page 54, line 5. Appropriation accounts are usually housed in the accounting system under one department. Having multiple departments administer the special fund would call into question which department is responsible for oversight

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and maintenance of the account. It will also make allocating money in the special fund more difficult and require very careful appropriation wording to be used in the future. For easier administration, we recommend keeping three separate special funds rather than establishing a single special fund to be administered by three agencies.

Thank you for the opportunity to provide comments.

# REPORT REGARDING THE FINAL DRAFT BILL ENTITLED "RELATING TO CANNABIS," PREPARED BY THE DEPARTMENT OF THE ATTORNEY GENERAL

Prepared for and respectfully submitted to

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

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

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

Friday, January 5, 2024

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#### I. EXECUTIVE SUMMARY

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

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

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

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

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

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

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

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

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

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

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

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

\* \* \*

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

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#### II. THE DEPARTMENT'S WORK ON THE FINAL DRAFT BILL

#### A. The Attorney General and the Department

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

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

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

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

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

## B. Why the Department Prepared the Final Draft Bill

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

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

<sup>&</sup>lt;sup>2</sup> HRS § 26-7.

<sup>&</sup>lt;sup>3</sup> HRS § 28-2.

<sup>&</sup>lt;sup>4</sup> HRS § 28-2.5.

<sup>&</sup>lt;sup>5</sup> HRS § 28-131.

<sup>&</sup>lt;sup>6</sup> HRS § 28-4.

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

2023, the Ohio electorate voted "yes" to legalize a dult-use cannabis by a percentage of 57.19% to  $42.81\%.^8$ 

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

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

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

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

<sup>&</sup>lt;sup>8</sup> Ballotpedia, *Ohio Issue 2, Marijuana Legalization Initiative (2023)*, available at <a href="https://ballotpedia.org/Ohio Issue 2">https://ballotpedia.org/Ohio Issue 2</a>, Marijuana Legalization Initiative (2023) (last accessed Jan. 4, 2024).

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

<sup>10</sup> *Id.* 

<sup>&</sup>lt;sup>11</sup> Hawaiʻi State Legislature, SB 669 SD2 Relating to Cannabis, *available at* <a href="https://www.capitol.hawaii.gov/session/measure\_indiv.aspx?billtype=SB&billnumber=669&year=2024">https://www.capitol.hawaii.gov/session/measure\_indiv.aspx?billtype=SB&billnumber=669&year=2024</a> (last accessed Jan. 4, 2024).

### C. The Department's Drafting Process

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

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

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

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

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

<sup>&</sup>lt;sup>14</sup> Dr. Gary Kirklas Home Page, https://drgarykirkilas.com/.

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

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

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

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

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

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

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

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

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

- The Hawai'i Hemp Farms Association ("HHFA") provided substantial feedback on the bill and stated that it opposed the bill for a number of reasons, including if references to hemp remained in the bill. The Department also received 19 emails stating similar concerns.

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

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

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

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

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

#### A. Illegality Under Federal Law

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

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

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

<sup>&</sup>lt;sup>16</sup> 21 U.S.C. § 812(b)(1) & Schedule I (c)(10).

<sup>&</sup>lt;sup>17</sup> See 21 U.S.C. §§ 841, 844.

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

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

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

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

#### B. The Illicit Market

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

<sup>&</sup>lt;sup>18</sup> Hilary V. Bricket, *Navigating the Hazy Status of Marijuana Banking*, Business Law Today 1, 2 (Aug. 2017).

 $<sup>^{19}</sup>$  While the Draft Final Bill includes a provision on banking, *see* Final Draft Bill  $\S$  A-92, p. 170, the problems with banking in the cannabis industry ultimately require a federal solution.

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

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

### C. Driving While High

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

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

https://academic.oup.com/clinchem/article/59/3/478/5621997 (last accessed Jan. 4, 2024).

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

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

<sup>&</sup>lt;sup>22</sup>Centers for Disease Control and Prevention, *Marijuana Use and Driving: What You Need to Know* (October 2021), *available at* 

https://www.cdc.gov/marijuana/factsheets/pdf/MarijuanaFactSheets-Driving-508compliant.pdf (last accessed Jan. 4, 2024).

<sup>&</sup>lt;sup>23</sup> Rebecca L. Hartman & Marilyn A. Huestis, *Cannabis Effects on Driving Skills*, 59 Clinical Chemistry, Issue 3 (Mar. 1, 2013), *available at* 

Statistics collected by the Rocky Mountain High Intensity Drug Trafficking Area Investigative Support Center illustrated a large increase in traffic fatalities in Colorado involving cannabis from the time it was legalized, from 2013 to 2020.<sup>24</sup> The statistics showed that since recreational cannabis was legalized in 2013:

- Traffic deaths when drivers tested positive for cannabis increased 138% (55 in 2013 compared with 131 in 2020) while all Colorado traffic deaths increased 29%.
- Since recreational cannabis was legalized, the percentage of <u>all</u> Colorado traffic deaths involving drivers who tested positive for marijuana increased from 11% in 2013 to 20% in 2020.<sup>25</sup>

In 2020, of the 120 drivers involved in fatal wrecks in Colorado who tested positive for cannabis use, 117 were found to have delta-9 THC in their blood. This would indicate use within hours according to [Colorado] data. Of the drivers found to have delta-9 THC in their blood, 69% were over 5 nanograms per milliliter. 128

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

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

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

<sup>&</sup>lt;sup>25</sup> *Id.*, pp. 2, 8.

<sup>&</sup>lt;sup>26</sup> *Id.*, p. 8.

<sup>&</sup>lt;sup>27</sup> *Id.* (emphasis in original).

<sup>&</sup>lt;sup>28</sup> See, id.

<sup>&</sup>lt;sup>29</sup> Tefft, B.C. & Arnold, L.S., Cannabis Use Among Drivers in Fatal Crashes in Washington State Before and After Legalization (Jan. 2020), available at <a href="https://aaafoundation.org/wp-content/uploads/2020/01/19-0637">https://aaafoundation.org/wp-content/uploads/2020/01/19-0637</a> AAAFTS-WA-State-Cannabis-Use-Among-Drivers-in-Fatal-Crashes r4.pdf (last accessed Jan. 4, 2024).

<sup>&</sup>lt;sup>30</sup> *Id.*, p. 3.

 $<sup>^{31}</sup>$  *Id*.

<sup>&</sup>lt;sup>32</sup> *Id.*, p. 4, figure 1.

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

#### D. Public Health and the Protection of Children

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

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

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

(last accessed Jan. 4, 2024) (exposure to cannabis second-hand smoke may have permanent effects on executive function, memory, and IQ).

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

<sup>&</sup>lt;sup>34</sup> Matthew. D. Albaugh, Ph.D, et al., Association of Cannabis Use During Adolescence with Neurodevelopment, JAMA Psychiatry (June 16, 2021), available at <a href="https://www.thenmi.org/wp-">https://www.thenmi.org/wp-</a>

content/uploads/2021/07/jamapsychiatry albaugh Cannabis Neurodevelopment.pdf (last accessed Jan. 4, 2024); see also Claire McCarthy, M.D., Secondhand marijuana smoke and kids, Harvard Health Publishing (June 5, 2018), available at <a href="https://www.health.harvard.edu/blog/secondhand-marijuana-smoke-and-kids-2018060514012">https://www.health.harvard.edu/blog/secondhand-marijuana-smoke-and-kids-2018060514012</a>

#### 1,375% increase.35

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

# IV. THE SIX PILLARS OF THE FINAL DRAFT BILL

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

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

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

#### A. The Hawai'i Cannabis Law

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

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

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

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

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

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

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# B. The Hawai'i Cannabis Authority

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

## 1. <u>State Modeling of Regulatory Authority</u>

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

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

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<sup>&</sup>lt;sup>36</sup> See Final Draft Bill § A-7, pp. 28–29.

<sup>&</sup>lt;sup>37</sup> See id., § A-9, pp. 34–40.

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

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

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

# 2. Regulating the Plant: The Question of Hemp

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

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

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

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

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

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

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<sup>&</sup>lt;sup>38</sup> Hemp-Derived Cannabinoids—Cannabidiol, Cannabis Law Deskbook § 25:7 (2023-2024 ed.).

<sup>&</sup>lt;sup>39</sup> Hemp-Derived Cannabinoids—Delta-8 THC and other cannabinoids, Cannabis Law Deskbook § 25:10 (2023-2024 ed.).

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

<sup>&</sup>lt;sup>41</sup> See FDA, supra n.40.

<sup>&</sup>lt;sup>42</sup> See CANNRA, Cannabinoid Hemp: An Overview, available at <a href="https://www.cann-ra.org/white-papers-and-factsheets">https://www.cann-ra.org/white-papers-and-factsheets</a> (last accessed, Jan. 4, 2024).

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

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

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

The intent of the final draft bill is to keep much of the current hemp regulatory structure in place, while bringing state regulations under the umbrella of the Authority. The cultivation of hemp is still regulated by the USDA.<sup>44</sup> The HHFA raised concerns that state regulations would encroach upon the USDA authority and lead to duplicative regulatory burdens. To allay those concerns, we included provisions based on Act 263 of 2023, requiring hemp cultivators to comply with all USDA regulations<sup>45</sup> and ensuring that the state regulations will not duplicate USDA regulations for hemp cultivation.<sup>46</sup>

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

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<sup>&</sup>lt;sup>43</sup> See Redline Draft at pp. 150–157.

<sup>&</sup>lt;sup>44</sup> See id. §§ A-42(b), -80, pp. 92, 151.

<sup>&</sup>lt;sup>45</sup> See id. § A-80(a), (b), p. 151–52.

<sup>&</sup>lt;sup>46</sup> *Id.* § A-80(e), p. 153.

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

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

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

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

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

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

<sup>&</sup>lt;sup>49</sup> See Redline Draft § A-81, p. 155.

<sup>&</sup>lt;sup>50</sup> See Id. § A-79(a), p. 150.

<sup>&</sup>lt;sup>51</sup> See Id. § A-78(b)(4), p. 149.

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

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

# C. <u>Promotion of the Continuing Role of Law Enforcement and</u> Prosecutors

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

#### 1. Criminal and Civil Enforcement

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

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<sup>&</sup>lt;sup>52</sup> See Id. §§ A-52(b)(4), -82(b), pp. 111, 156.

<sup>&</sup>lt;sup>53</sup> See Id. §§ A-3 (definition of "cannabis"), A-79, pp. 10, 150–51.

<sup>&</sup>lt;sup>54</sup> See Id. §§ A-81, -82, pp. 155–57.

<sup>&</sup>lt;sup>55</sup> See Id. § A-81(d), p.155.

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

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

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

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

<sup>&</sup>lt;sup>56</sup> Final Draft Bill § A-18, pp. 53–55.

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

<sup>&</sup>lt;sup>58</sup> Final Draft Bill § A-19, pp. 55–56.

<sup>&</sup>lt;sup>59</sup> HRS § 28-131.

<sup>&</sup>lt;sup>60</sup> HRS § 712-1272.

<sup>61</sup> Final Draft Bill § A-90, p. 164.

<sup>62</sup> Id. § A-90(b), pp. 164-66.

#### 2. Driving While High and Open Containers

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

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

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

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

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

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

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

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

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

 $<sup>^{64}</sup>$  Final Draft Bill, Section 9 at pp. 199–205. Again, the exception is if the person under 21 is a medical cannabis patient. *Id.* at p. 200.

<sup>&</sup>lt;sup>65</sup> HRS § 291E-64(a) ("It shall be unlawful for any person under the age of twenty-one years to operate any vehicle with a measurable amount of alcohol.").

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

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

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

#### D. The Social Equity Program

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

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

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

#### 1. Social Equity Licensing

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

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

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

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

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<sup>&</sup>lt;sup>68</sup> Final Draft Bill §§ A-3 (definition of "disproportionately impacted area"), A-83, at pp. 15, 150.

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

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

<sup>&</sup>lt;sup>71</sup> Final Draft Bill § A-6(c), p. 27.

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

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

# 2. <u>A Forthcoming Report to the Legislature on</u> Expungement

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

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

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

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<sup>&</sup>lt;sup>72</sup> Redline Bill § A-13 at pp. 51–52; Section 27, p. 262; and Section 69 at p. 323.

<sup>&</sup>lt;sup>73</sup> Final Draft Bill § A-84, pp. 150–54.

<sup>&</sup>lt;sup>74</sup> *Id.* § A-27(b), pp. 64–65.

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

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

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

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

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

<sup>&</sup>lt;sup>75</sup> HRS § 706-622.5.

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

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

### E. <u>Delayed Effective Date for the Legalization of Adult-Use</u> Cannabis to January 1, 2026

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

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

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

<sup>&</sup>lt;sup>76</sup> See Final Draft Bill Section 84, p. 315.

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

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

### F. Public Health Protections and Public Education Campaigns

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

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

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

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<sup>&</sup>lt;sup>77</sup> Final Draft Bill §§ A-14, A-87–89, Section 71, pp., 49–50, 158–64, 311.

<sup>&</sup>lt;sup>78</sup> *Id.* § A-87, p. 158.

<sup>&</sup>lt;sup>79</sup> Final Draft Bill § A-88(b), pp. 159–62.

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

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

#### V. THE DEPARTMENT'S POSITION ON THE FINAL DRAFT BILL

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

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

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

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

<sup>81</sup> Final Draft Bill § A-54, pp. 108–09.

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

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

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

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

- of cannabis for those under the age of 21 (except for those with a medical card) and an enforceable per se THC limit for those 21 and over (or those under 21 who hold a medical-cannabis card).
- (8) Substantial public health, education, and legal provisions regarding the prevention and treatment of the use of cannabis by those under the age of 21, including restrictions on packaging, marketing, and advertising relating to children.
- (9) A delayed effective date for the legalization of adult-use cannabis of January 1, 2026, at the earliest.
- (10) Funding for a substantial public-education campaign to be implemented prior to the legalization of adult-use cannabis.

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

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

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

#### VI. CONCLUDING REMARKS OF THE ATTORNEY GENERAL

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

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

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

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

ANNE LOPEZ

Attorney General of Hawai'i

SYLVIA LUKE LT. GOVERNOR INCOFFIANT 1959 - GARY S. SUGANUMA DIRECTOR

KRISTEN M.R. SAKAMOTO
DEPUTY DIRECTOR

# STATE OF HAWAI'I DEPARTMENT OF TAXATION Ka 'Oihana 'Auhau

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# TESTIMONY OF GARY S. SUGANUMA, DIRECTOR OF TAXATION

#### **TESTIMONY ON THE FOLLOWING MEASURE:**

S.B. No. 3335, S.D. 2, Relating to Cannabis.

#### **BEFORE THE:**

Senate Committees on Judiciary & Hawaiian Affairs and Agriculture & Food Systems

**DATE:** Wednesday, March 13, 2024

**TIME:** 2:00 p.m.

**LOCATION:** State Capitol, Room 325

Chairs Tarnas and Gates, Vice-Chairs Takayama and Kahaloa, and Members of the Committees:

The Department of Taxation ("Department") offers the following <u>comments</u> regarding the tax provisions in S.B. 3335, S.D. 2, which establishes the Hawai'i Hemp and Cannabis Authority and Hemp and Cannabis Control Board; establishes laws for the cultivation, manufacture, sale, and personal adult-use of cannabis; amends or repeals existing laws relating to cannabis, including hemp; establishes taxes for adult-use cannabis sales; legalizes the possession of certain amounts of cannabis for individuals 21 years of age and over by January 1, 2026; and transfers the personnel and assets of the Office of Medical Cannabis Control and Regulation from the Department of Health to the Hawai'i Hemp and Cannabis Authority.

Part III of the bill, beginning on page 192, creates a new chapter B in title 14, Hawaii Revised Statutes (HRS), entitled "Hawaii Cannabis Tax Law." Under proposed section B-2, persons engaged in the retail sale of cannabis, including retail sales of medical cannabis, must obtain a cannabis tax permit from the Department. Under proposed section B-3, retail sales of cannabis will be subject to a 14 percent tax on gross proceeds, and retail sales of medical cannabis subject to a 4 percent tax on gross sales.

Department of Taxation Testimony SB 3335, S.D. 2 March 13, 2024 Page 2

Section 27 of the bill, beginning on page 254, amends section 237-24.3, HRS, to exempt amounts received from the sales of cannabis and medical cannabis from the Hawaii general excise tax.

All revenues collected under the Hawaii Cannabis Tax Law shall be distributed as follows: 50 percent to the Cannabis Regulation, Nuisance Abatement, and Law Enforcement Special Fund, and 50 percent to the Cannabis Social Equity, Public Health and Education, and Public Safety Special Fund.

Sections 59 and 60 of the bill, beginning on page 307, establish unspecified numbers of the following positions within the Department of Taxation:

- 1. Auditors;
- 2. Cashiers:
- 3. Special Enforcement Section Investigators;
- 4. Tax information technicians; and
- 5. Tax law change specialists.

The bill has a placeholder effective date of December 31, 2050 in section 80. However, Part III of the bill, including the Hawaii Cannabis Tax Law, has an effective date of January 1, 2026.

The Department notes that, should this measure be passed, the Department will need two auditors, one cashier, three special enforcement section investigators, two tax information technicians, and two tax law change specialists to implement and administer the tax law provisions.

The Department also requests, if the measure is passed with a functional date and with the specified number of positions necessary to enforce this measure, that the tax law provisions in part III and section 27 of the bill take effect no earlier than January 1, 2026. This would afford the Department sufficient time to make the necessary system and form changes and provide taxpayer education on the Hawaii Cannabis Tax Law.

Department of Taxation Testimony SB 3335, S.D. 2 March 13, 2024 Page 3

The Department estimates the revenue impact as follows:

### **General Fund Impact (\$ millions)\***

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
General Fund		-1.0	-2.5	-2.5	-2.5	-2.5

### Special Fund (\$ millions)

Distribution of Special Funds	FY 2025	FY2026	FY 2027	FY2028	FY2029	FY2030
Cannabis Regulation Special Fund	50%	2.2	8.5	12.7	19.1	21.2
Cannabis Social Equity Special Fund	50%	2.2	8.5	12.7	19.1	21.2

Thank you for the opportunity to provide comments.

JOSH GREEN, M.D. GOVERNOR KE KIA'ĀINA



### STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I HAWAII PAROLING AUTHORITY

Ka 'Äkena Palola o Hawai'i 1177 Alakea Street, First Floor Honolulu, Hawaii 96813

EDMUND	"FRED"	HYU
	CHAIR	

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

COREY J. REINCKE ACTING ADMINISTRATOR

#### TESTIMONY ON SENATE BILL 3335, SD2 RELATING TO CANNABIS

by Edmund "Fred" Hyun, Chair Hawaii Paroling Authority

House Committee on Judiciary & Hawaiian Affairs Representative David A. Tarnas, Chair Representative Gregg Takayama, Vice Chair

House Committee on Agriculture & Food Systems Representative Cedric Asuega Gates, Chair Representative Kirstin Kahaloa, Vice Chair

Wednesday, March 13, 2024, 2:00 p.m. State Capitol Conference Room 325 and Via Video Conference

Chairs Tarnas and Gates, Vice Chairs Takayama and Kahaloa, and Members of both Committees:

The Hawaii Paroling Authority (HPA) stands in strong opposition of SB 3335, SD2. The greater majority of the inmates facing the parole board for Minimum Hearings and parolees currently under HPA's supervision have a history of marijuana use starting in their teenage years.

Known as the "gateway" drug, legalization of recreational marijuana will only add to the safety risks faced by HPA parole officers within their duties of supervision. Allowing the recreational use of marijuana will cause an increase in traffic deaths, psychosis, schizophrenia, and acts of violence in comparison to current data. All these factors will create an increased number of parole revocations, population increase within our prison systems, mental health facilities and hospitals/ ER visits, and a substantial increase in criminal behavior.

If the bill is passed, the parole officers' workload will soar tenfold, leading to more community, family, and victim complaints, increasing the "addicts" drug use, and undermining any rehabilitation efforts the parole officers follow with the on-going use of evidence-based practice.

Thank you for the opportunity to present testimony on SB 3335, SD2. We will be available to answer any questions the Committee may have.

JOSH GREEN, M.D. GOVERNOR KE KIA'ĀINA



JORDAN LOWE DIRECTOR

MICHAEL VINCENT Deputy Director Administration

SYLVIA LUKE LT GOVERNOR KE KE'ENA

# STATE OF HAWAI'I | KA MOKU'ĀINA O HAWAI'I DEPARTMENT OF LAW ENFORCEMENT Ka 'Oihana Ho'okō Kānāwai

715 South King Street Honolulu, Hawai'i 96813 JARED K. REDULLA
Deputy Director
Law Enforcement

# TESTIMONY ON SENATE BILL 3335, SENATE DRAFT 2 RELATING TO CANNABIS

Before the House Committees on Judiciary & Hawaiian Affairs And

Agriculture & Food Systems

Wednesday, March 13, 2024; 2:00 p.m.

State Capitol Conference Room 325 Via Videoconference

Testifier: Jordan Lowe or Jared Redulla

Chairs Tarnas and Asuega, Vice Chairs Takayama and Hahaloa, and members of the Committees:

The Department of Law Enforcement (DLE) has **serious concerns** regarding Senate Bill (SB) 3335, Senate Draft 2 Related to Cannabis.

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

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

Department of Law Enforcement Testimony on S.B. 3335, S.D. 2 Relating to Cannabis Page 2

respectful, but serious concerns over the legalization of cannabis as proposed in SB 3335. The DLE is seriously concerned for several reasons.

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

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

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

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

Department of Law Enforcement Testimony on S.B. 3335, S.D. 2 Relating to Cannabis Page 3

enforcement priorities for the DLE and DLE's resources will be taxed severely if large amounts of illegal cannabis flood the black market.

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

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

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

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

- There is evidence of a persistent black market for marijuana which may increase the presence of Mexican drug cartels that are bringing in other drugs like heroin.
- 2. There are higher rates of traffic fatalities while driving under the influence of marijuana.

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

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

- 1. Increased violence directed toward marijuana dispensary owners and employees.
- 2. Increased burglaries of marijuana dispensaries.
- 3. Lack of effort on the part of dispensary owners/ employees to control unlawful or nuisance behavior in and around the business or to comply with state laws designed to regulate medical marijuana use.
- 4. Increased loitering, noises, litter, and property damage, smoking of marijuana in public areas5. Increased offenses involving driving while under the influence of marijuana.
- 6. An influx of criminal elements into the neighborhoods where dispensaries are located.
- 7. Marijuana distributors operating in school zones or close to schools or parks 8. Increased sales of marijuana to juveniles under the age of 18 or to customers who are young and do not have an illness or a serious medical condition.

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

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

In conclusion, the DLE is aware that the community's attitudes toward cannabis have evolved. However, the DLE is equally aware of the real-world examples of other

Department of Law Enforcement Testimony on S.B. 3335, S.D. 2 Relating to Cannabis Page 5

states where state legalized cannabis programs have increased risks that affect the public's safety. Consequently, because of the increased risks associated with legalized cannabis programs described above, the DLE respectfully has serious concerns over the proposed contents of SB 3335.

While the Department has significant concerns with this proposal, should the legislature decide to move this forward, additional resources for law enforcement is a necessary component of this bill. Based on the experiences from other jurisdictions, additional staff and resources for enforcement are critical features needed to offset the substantial predictable illegal activity that our community will see. To provide the DLE with tools to even attempt to enforce the law, the position number and appropriation amount in this bill should be at least \$2,000,000 for the enforcement unit and seventeen (17) DLE enforcement staff comprised of three (3) permanent supervisory positions, eleven (11) investigator or detective positions, and three (3) permanent administrative support positions.

JOSH GREEN, M.D.
GOVERNOR OF HAWAI'I
KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAI'I



#### 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 SB3335-SD2 RELATING TO CANNABIS

## REPRESENTATIVE DAVID A. TARNAS, CHAIR HOUSE COMMITTEE ON JUDICIARY AND HAWAIIAN AFFAIRS

# REPRESENTATIVE CEDRIC ASUEGA GATES, CHAIR HOUSE COMMITTEE ON AGRICULTURE AND FOOD SYSTEMS

Hearing Date: 03/13/2024 Room Number: 325

- 1 Fiscal Implications: Significant. The Department of Health ("Department") requests that this
- 2 measure be considered as a vehicle to provide this needed funding so long as it does not supplant
- 3 the priorities and requests outlined in the Governor's executive budget request.
- 4 **Department Position:** The Department offers comments regarding SB3335 SD1 which
- 5 proposes to legalize cannabis for non-medical, adult-use.
- 6 Department Testimony:

7 PART I

- 8 Legalizing adult use of cannabis should be expected to have a negative impact on the health of
- 9 the public. Whereas cannabis can provide a medical benefit for certain medical conditions,
- patients can access this through the medical cannabis program. Recreational use is therefore not
- a program to provide medical benefit and would only add harm. Despite the strong regulatory
- requirements proposed by SB3335 SD1, the DOH remains highly concerned about the public
- health and environmental impacts that increased accessibility of cannabis and opening of an
- adult use marketplace will bring. As reported by the Act 169 Dual Use of Cannabis Task Force,
- Public Health and Safety Working Group<sup>1</sup>, there are a wide range of public health and safety
- 16 concerns associated with cannabis use and exposure.

- 1 Mental Health and Substance Use: Mental health, substance use, and youth suicide are critical
- 2 priorities of the DOH. 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. <sup>2,3,4,5,6,7,8,9,10,11,12,13</sup> 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. 14,15,16,17,18,19,20,21,22
- 9 Additionally, there is moderate evidence that adolescents and young adults who use cannabis are
- more likely than non-users to have suicidal thoughts or attempt suicide, and have an increased
- 11 incidence of suicide completion. <sup>23,24,25,26,27,28,29,30,31,32,33,34,35,36,37,38,39</sup>
- 12 Fetus and Newborn Exposures: Fetus and newborn exposure to cannabis is an increasingly
- growing concern. National estimates show that between 3 to 7% of pregnant women report using
- cannabis while pregnant. 40,41 Biological evidence shows that tetrahydrocannabinol (THC), the
- primary intoxicating compound in cannabis is passed through the placenta of women who use
- cannabis during pregnancy and that the fetus absorbs and metabolizes the THC. 42,43,44,45,46
- Despite this, cannabis use among pregnant women has continued to increase amidst the
- perceived lack of risk from the increasing acceptance and accessibility of
- cannabis. 47,48,49,50,51,52,53,54,55,56 Biological evidence also shows that THC is present in the breast
- 20 milk of women who use cannabis and that infants who drink breast milk containing THC absorb
- 21 and metabolize the THC. 57,58,59,60,61 There is substantial evidence of association between
- maternal cannabis smoking and lower birth weight of offspring 62,63 and moderate evidence that
- 23 maternal use of cannabis during pregnancy is associated with decreased academic ability,
- 24 attention problems, reduced cognitive function, and decreased IO scores in exposed
- 25 offspring. <sup>64,65,66,67,68,69,70,71,72,73,74,75,76,77</sup>
- 26 Environmental Concerns: According to an October 2020 report by the Denver Environmental
- 27 Health Cannabis Sustainability Work Group, cultivation of cannabis has had significant impacts
- 28 on consumption of energy and water, generation of solid waste, effluent discharge, greenhouse

gas emissions, land use, nuisance odor control, and, indoor air quality. <sup>78,79</sup> Also in October 2020, 1 the National Cannabis Industry Association issued "Environmental Sustainability in the 2 Cannabis Industry: Impacts, Best Management Practices, and Policy Considerations," 3 highlighting the impacts of the industry on land and soil health, water use, energy consumption, 4 air quality, and waste. 80 In addition, the Cannabis Regulators Association (CANNRA) has 5 provided guidance regarding the need for state and local environmental regulatory agencies to 6 engage and work with cannabis businesses in determining and quantifying environmental 7 impacts, and best ways to achieve compliance regarding energy use, waste management, air 8 quality, and water quality. <sup>81</sup> Finally, CANNRA has also provided guidance regarding nuisance 9 odor compliance, which have been and continue to be, an ongoing source of complaints for 10 private residence cultivation, and should be expected to increase with adult use legalization.<sup>82</sup> 11 Youth and Young Adults: Although proposed legalized adult use will be restricted to those 12 aged 21 and older, the human brain continues to develop into the mid-20s and remains 13 vulnerable to the effects of addictive substances. 83,84 Various research on youth and young adults 14 show associations between e-cigarette use and cannabis use, 85,86,87,88 and a systematic review and 15 meta-analysis of existing studies showed the odds of youth using cannabis were 3.5 times higher 16 if they vaped. 89 Flavor increases the likelihood that youth will try the vaping product, whether it 17 contains nicotine or cannabis. 90,91 Protecting young adults legally allowed to use cannabis but 18 still very vulnerable to its detrimental effects will not work with age restrictions alone. Also, 19 20 although the use of child-resistant packaging reduces unintentional pediatric poisonings from a wide range of products, <sup>92,93,94</sup> these still rely on the user to properly employ and maintain the 21 packaging. A recent retrospective analysis of National Poison Data System data for pediatric 22 exposures to edible cannabis products in children younger than age 6 years found an increase of 23 1,375% from 2017-2021 with a significant increase in both ICU and non-ICU admissions. 95 24 Toxic pediatric exposures continue to be reported. 96 In addition to packaging requirements, 25 restriction of advertising and marketing practices remain critical to preventing appeal to youth as 26 well as preventing the encouragement of increased consumption and targeting of marginalized 27

communities as practiced by the tobacco industry. 97,98 There is substantial evidence that more

28

- 1 unintentional exposures for children occur in states with increased legal access to cannabis and
- 2 these exposures can lead to significant clinical effects requiring medical
- 3 attention. 99,100,101,102,103,104,105,106,107,108
- 4 Smoking, E-Cigarettes, and Vaping: Smoked and vaped forms of hemp and cannabis should
- 5 be prohibited. There is substantial evidence that cannabis smoke contains many of the same
- 6 cancer-causing chemicals as tobacco smoke 109,110,111,112,113 and while many flavorings and
- 7 additives used in e-cigarette or vaped products may be safe for oral ingestion, few, if any have
- 8 been demonstrated as safe for inhalation. This was highlighted by the outbreak of e-cigarette, or
- 9 vaping, product use-associated lung injury (EVALI), which caused 2,807 hospitalized cases
- among all 50 states, the District of Columbia, and two U.S. territories and 68 confirmed
- deaths. 114 EVALI cases rapidly declined after vitamin E acetate, a common dietary supplement
- that is generally recognized as safe ("GRAS") by the U.S. Food and Drug Administration as a
- food additive, was removed from products.
- 14 **Intoxicating Hemp Products:** The DOH greatly appreciates the inclusion of regulatory
- oversight of hemp-derived cannabinoid products under the Hawaii Cannabis Authority.
- 16 Cannabinoids are cannabinoids, regardless of whether they are derived from cannabis or hemp
- plants, or synthesized, and some have psychoactive or intoxicating properties. 115 The 2018 Farm
- Bill's focus on the concentration of delta-9 THC as defining legal hemp and hemp products has
- created a loophole through which consumers, including children, can walk into convenience
- stores and gas stations, or shop online and purchase products that have the same psychoactive or
- 21 intoxicating effects as cannabis. There are a number of these "hemp synthesized intoxicants
- 22 (HSIs)," the most common being Delta-8 THC and Delta-10 THC. Proponents of HSIs assert
- that the Farm Bill did not prohibit the chemicals in hemp from being converted into psychoactive
- compounds. However, opponents of HSIs argue that the Farm Bill legalized hemp as an
- 25 agricultural commodity and did not intend for the chemicals in hemp to be converted into
- 26 intoxicating compounds. In October 2023, Virginia's restriction of HSIs was upheld by a federal
- 27 court, and Attorneys General in Nebraska, California, and Connecticut have filed lawsuits or
- 28 enforcement actions against HSI manufacturers and sellers, citing health and safety risks to

- 1 consumers. 116,117,118 And on December 5, 2023, the U.S. Food and Drug Administration (FDA)
- 2 issued a warning letter<sup>119</sup> to a manufacturer of food products, including gummies, that contain
- 3 Delta-8 THC. In its warning letter, FDA noted that: "1) Delta-8 THC products have not been
- 4 evaluated or approved by FDA for safe use and may be marketed in ways that put the public
- 5 health at risk; 2) FDA has received adverse event reports involving Delta-8 THC containing
- 6 products; 3) Delta-8 THC has psychoactive and intoxicating effects; 4) FDA is concerned about
- 7 the processes used to create the concentrations of Delta-8 THC claimed in the marketplace; and
- 8 5) FDA is concerned about Delta-8 THC products that may be consumed by children, as some
- 9 packaging and labeling may appeal to children."
- 10 **Regulatory Standards:** The DOH appreciates requirements for laboratory standards and testing,
- packaging and labeling, products standards, and advertising and marketing controls. The DOH
- also greatly appreciates the substantive appropriations for the Public Health and Education
- 13 Special Fund for cannabis testing. Cannabis testing capability and capacity will be critical to
- oversight of private commercial testing laboratories and investigations of adverse consumer
- events. Together, these provisions will help to ensure that cannabinoid-containing products
- intended for human consumption and use meet the same consumer protection standards as non-
- cannabinoid-containing products. In other words, other than the effect of the cannabinoid
- 18 content, a hemp-derived gummie and a cannabis-derived gummie should be as safe to consume
- as a commercial candy gummie. These requirements will help to protect the public, especially
- 20 youth, from unintended intoxication, over-toxication, deceptive and misleading claims, and
- 21 unsafe products. The DOH also appreciates the maintenance of key existing medical use
- provisions, the limitations against any use of cannabis that endangers the health or well-being of
- another person, especially the use at any place open to the public, including smoking or vaping
- cannabis in public as prohibited by chapter 328J, and the use of cannabis by anyone under
- 25 twenty-one years of age.
- 26 While DOH appreciates the inclusion of a "Public health and education special fund" for
- education and substance abuse prevention and treatment, which includes educating the public
- about cannabis use and laws, preventing and treating substance abuse among youth, and

- 1 controlling and treating substance abuse; this is not expected to eliminate the harms. Based on
- 2 what has been experienced with tobacco products, despite laws prohibiting purchase and
- 3 educational campaigns, use increased among youth. Efforts have been unsuccessful to date and
- 4 continue to be underway to protect our youth by banning flavored products. Despite best efforts
- 5 to implement a legal adult cannabis use program as responsibly and safely as possible, there will
- 6 be harm to the public health, especially for newborns, youth, and young adults.

7 <u>PART II</u>

- 8 The DOH Office of Medical Cannabis Control and Regulation (DOH-OMCCR) agrees with the
- 9 DOH comments about the harms to the health of the public that adult use legalization will bring,
- and provides comments as a resource to the legislature should the legislature choose to pass this
- 11 measure.
- 12 One Plant, One Regulatory Agency: The DOH-OMCCR strongly supports the "one plant, one
- regulatory agency" approach that SB3335 SD1 contemplates by placing medical use, adult use,
- and hemp cannabinoid processing and products under the Hawaii Cannabis Authority ("HCA").
- As a founding member of the Cannabis Regulatory Association ("CANNRA," https://www.cann-
- ra.org/), the DOH-OMCCR has had the opportunity to learn from the experience of other states
- implementing medical use and transitioning to adult use having multiple regulatory agencies
- has been a common, recurring challenge. As a result, more states are either starting as one
- regulatory agency or transitioning to one agency, especially with regard to hemp cannabinoid
- 20 products. Currently, of CANNRA's 44 member states and the District of Columbia, 11 regulate
- 21 hemp cannabinoid products under the same agency as cannabis 120, and an additional four states
- have pending legislation or have authorized the cannabis agency to regulate hemp cannabinoid
- products. 121 Hawaii is one of the 11 states where hemp cannabinoid products are regulated by the
- same agency as cannabis—i.e., the DOH-OMCCR. States where there is not a single regulatory
- agency often speak about the serious challenges associated with gaps in, and inconsistent,
- regulations and the resulting uncertainty for the industry and consumers.

- 1 In following this trend, it is important to emphasize that SB3335 SD1 does not propose to
- 2 regulate hemp cultivation or industrial hemp products under the HCA, only hemp processing and
- 3 manufacturing of hemp cannabinoid products that are intended for human consumption and use.
- 4 This approach will help to ensure that all cannabinoid-containing products, whether derived from
- 5 cannabis or hemp, will meet the same basic good manufacturing practices of non-infused,
- 6 commercially available counterparts.
- 7 Law Enforcement Role: The DOH-OMCCR supports the continuing role of law enforcement
- 8 as proposed by SB3335 SD1. Cannabis remains illegal under federal law. Notwithstanding,
- 9 chapter 329, part IX, Hawaii Revised Statutes, provides a safe harbor from state criminal
- prosecution for medical use to those operating within the scope of Hawaii's laws. As the state's
- regulator for medical use cannabis, DOH-OMCCR values and relies on the support of the state
- 12 Narcotics Enforcement Division and county police in addressing non-compliance. The DOH-
- OMCCR also strongly supports increasing the state's cannabis-related nuisance abatement
- capacity by authorizing and supporting the Department of the Attorney General in civil
- enforcement of violations of law. Adult-use legalization will not eliminate the illicit market or
- bad actors. As experienced by other states, these will persist in parallel to the legal, regulated
- market. A well-funded and defined law enforcement mission to prevent illicit activities and assist
- the HCA will help to ensure the viability of the legal market and assure the public safety.
- 19 Social Equity Program: Increasingly, the promotion of social and economic equity in the
- 20 cannabis industry and through revenue generated by the cannabis industry has become a central
- 21 mission of states' programs. Acknowledging that equity can only be achieved through the
- elimination of barriers that prevent the full participation of some groups, 122 seventeen of
- 23 CANNRA's member states maintain equity programs ranging from specific license types to
- 24 grants and access to capital, technical assistance, community reinvestment, and business
- 25 incubator or mentorship programs for disproportionately impacted or disadvantaged
- 26 communities, people with past cannabis-related convictions, farmers, women-, veteran-, and
- 27 minority-owned businesses, legacy operators, etc. As such, DOH-OMCCR appreciates SB3555's
- 28 intent to address inequalities by bringing economic opportunity to disadvantaged regions of

- 1 Hawaii and transition illicit operators to the legal market through a robust social equity grant and
- 2 fee waiver program.
- 3 **Delayed Effective Date:** The DOH-OMCCR strongly supports delaying of the effective date for
- 4 legalized adult use and the opening of the marketplace for a minimum of eighteen (18) months
- 5 and exemption of certain procurements from requirements under chapter 103D. Adequate time
- 6 will be needed to establish the HCA and the Cannabis Control Board, adopt Hawaii
- 7 Administrative Rules, transfer personnel and assets from the Department of Health to the HCA,
- 8 convert existing and license new businesses, and other myriad aspects of standing up a new
- 9 agency. Many processes in the state system move slowly and are often constrained by limited
- 10 resources within the program itself. For example, the reorganization to establish DOH-OMCCR
- from the Patient Registry and Dispensary Licensing programs was initiated in June 2018 and not
- recognized until July 2019. Documents to establish the new DOH-OMCCR administrative
- positions created by the reorganization were submitted in April 2019 and the first positions
- became available for recruitment September 2019. Even with interim rulemaking authority,
- 15 limited amendments to administrative rules take at least 4 to 6 months to complete. These
- limitations are not unique to Hawaii, and other states have reported timelines of 6 months to
- more than 2 years from the effective date of adult-use to accepting new license applications and
- an additional 6 to 24 months before issuing licenses. The delayed effective date and flexibility to
- contract for services to effect the needed changes will be critical to operationalizing an adult-use
- 20 regime.
- 21 **Public Health Protections:** The DOH-OMCCR concurs with the compelling public health
- 22 impact concerns that the Department of Health has regarding adult use legalization. The
- 23 intoxicating and impairing qualities of cannabis, manufactured cannabis products, and certain
- 24 hemp-cannabinoid products, has increased, and new and evolving forms and modes of
- 25 consumption continuously appear. As such, the DOH-OMCCR strongly supports the extensive,
- well-funded public health protections embedded in SB3335 SD1 and the clear charge to the
- 27 Cannabis Control Board that "the protection of public health and safety shall be the highest

- 1 priorities for the board..., and that wherever protection of public health and safety is inconsistent
- 2 with other interests..., the protection of public health and safety shall be paramount."
- 3 Protection of youth and young adults will be especially important as problem use in these
- 4 populations will required significant, long-term investments by the state. Although the rates of
- 5 consumption among youth do not appear to be increasing in states that have transitioned to adult-
- 6 use, increasing intensity of use, i.e., more frequent use and/or higher THC use, has been a
- 7 concerning observed trend. According to the Colorado Retail Marijuana Public Health Advisory
- 8 Committee, "Adolescents and young adults who use marijuana are more likely to experience
- 9 psychotic symptoms as adults (such as hallucinations, paranoia, and delusional beliefs), future
- 10 psychotic disorders (such as schizophrenia) and suicidal thoughts or attempting suicide.
- Evidence shows that adolescents who use marijuana are more likely to not graduate high school
- or attain a college degree, can become addicted to marijuana, and that treatment for marijuana
- addiction can decrease use and dependence." In addition that, "Children born to mothers who
- used marijuana during pregnancy are more likely to be born small for gestational age, experience
- attention problems and reduced cognitive function in childhood, and have decreased academic
- ability, including reduced IQ scores."
- 17 Implementation of a robust public health and education campaign to inform the public about the
- new laws and the health risks, as well as preparing for increased demand for addiction and
- substance use treatment services needs to begin before adult-use becomes effective and
- 20 continuously maintained to be assure the protection of the public health.

#### 21 **Offered Amendments:** None.

Thank you for the opportunity to testify on this measure.

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#### STATE OF HAWAI'I | KA MOKU'ĀINA O HAWAI'I DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT KA 'OIHANA HO'OMŌHALA LIMAHANA

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## Statement of BRENNA H. HASHIMOTO

Director, Department of Human Resources Development

Before the
HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS
and the
HOUSE COMMITTEE ON AGRICULTURE & FOOD SYSTEMS
Wednesday, March 13, 2024
2:00 p.m.
State Capitol, Conference Room 325

In consideration of SB 3335, SD2, RELATING TO CANNABIS

Chairs Tarnas and Gates, Vice-Chairs Takayama and Kahaloa, and the members of the committees:

The Department of Human Resources Development (DHRD) appreciates the intent of SB 3335, SD2, which among many other things, legalizes the personal adult use of cannabis beginning January 1, 2026. DHRD offers the following comments on this measure as to the effect on state departments and public employees:

- As drafted, this measure may put at risk federal funding for State departments who are required to comply with the federal Drug Free Workplace Act and the attendant drug testing conducted to comply with the law.
- This measure may also negatively impact departments with employees whose jobs require commercial motor vehicle licenses. The requirements of and procedures for drug testing have been negotiated for many bargaining units, all of which would be impacted by the addition of subsection (g) on page 88. For example, the employer entered into mutual agreements with various unions, including HGEA, UPW, HSTA, SHOPO and HFFA, to conduct random and/or reasonable suspicion controlled substance testing.

- The random testing of employees in HGEA bargaining units is currently limited to positions identified as health, safety and public trust (HSPT) as their classes of work were identified as first responders or which carry/handle firearms, etc. This will impact twelve (12) out of the fifteen (15) bargaining units statewide.
- Based on the concerns listed above, DHRD recommends subsection (g) on page 88, lines 13-19, be stricken.

However, should this measure advance, we recommend as an alternative, the following amendment:

(g) Except as provided in this section, or unless the failure to do so would cause the State or any of its political subdivisions to lose a monetary or licensing-related benefit under a contract or federal law, the State and any of its political subdivisions shall not impose any penalty or deny any benefit or entitlement for conduct permitted under this chapter or for the presence of cannabinoids or cannabinoid metabolites in the urine, blood, saliva, breath, hair, or other tissue or fluid of a person who is at least twenty-one years of age. This shall not impact the ability of the State or any of its political subdivisions to conduct drug testing and use the results of those tests for the discipline of an employee, if the testing is done to comply with federal requirements or in accordance with the applicable collective bargaining agreement, if any.

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

JOSH GREEN, M. D. GOVERNOR

SYLVIA LUKE



# STATE OF HAWAI'I OFFICE OF COLLECTIVE BARGAINING EXECUTIVE OFFICE OF THE GOVERNOR

235 S. BERETANIA STREET, SUITE 1201 HONOLULU, HAWAI'I 96813-2437

## Statement of WILBERT S. HOLCK

Chief Negotiator, Office of Collective Bargaining

Before the
HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS
and the
HOUSE COMMITTEE ON AGRICULTURE & FOOD SYSTEMS
Wednesday, March 13, 2024
2:00 p.m.
State Capitol, Conference Room 325

# In consideration of SB 3335 SD2, RELATING TO CANNABIS

Chairs Tarnas and Gates, Vice-Chairs Takayama and Kahaloa and the members of the committees:

The Office of Collective Bargaining (OCB) appreciates the intent of SB 3335 SD2, which among many other things, legalizes the personal adult use of cannabis beginning January 1, 2026. However, OCB offers the following comments:

- This measure may negatively impact Employers with employees whose jobs require commercial motor vehicle licenses. The requirements of and procedures for drug testing have been negotiated for many bargaining units, all of which would be impacted by the addition of subsection (g) on page 88. For example, the Employer entered into mutual agreements with various unions, including HGEA, UPW, HSTA, SHOPO and HFFA, to conduct random and/or reasonable suspicion controlled substance testing.
- The random testing of employees in HGEA bargaining units is currently limited to positions identified as health, safety and public trust (HSPT) as their classes of work were identified as first responders or which carry/handle firearms, etc. This will impact twelve (12) out of the fifteen (15) bargaining units statewide.

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

### OFFICE OF INFORMATION PRACTICES

STATE OF HAWAII
NO. 1 CAPITOL DISTRICT BUILDING
250 SOUTH HOTEL STREET, SUITE 107
HONOLULU, HAWAI'I 96813

TELEPHONE: 808-586-1400 FAX: 808-586-1412

EMAIL: oip@hawaii.gov

To: House Committees on Judiciary & Hawaiian Affairs and on

Agriculture & Food Systems

From: Cheryl Kakazu Park, Director

Date: March 13, 2024, 2:00 p.m.

State Capitol, Conference Room 325

Re: Testimony on S.B. No. 3335, S.D. 2

Relating to Cannabis

Thank you for the opportunity to submit testimony on this bill, which would create a Hawaii Hemp and Cannabis Authority overseen by a Hemp and Cannabis Board. The Office of Information Practices (OIP) takes no position on the substance of this bill, but recommends deletion of a notice provision regarding special meetings of the Board because it is unnecessary and contrary to the Sunshine Law.

Proposed subsection A-12(f), HRS, beginning at bill page 32 line 14, authorizes the Board's chairperson to call special meetings either with ten days' notice to each member, or without notice based on the agreement of and signed written waiver by all members. OIP notes that the Board meets the definition of a "board" subject to the Sunshine Law, part I of chapter 92, HRS, and as such it must give public notice of all its meetings as required under the Sunshine Law. If the Board's members waived the requirement for the chairperson to notify them of a special meeting, that would not waive or alter the Sunshine Law's notice requirements set out in section 92-7, HRS; the Board would still be required to give

House Committees on Judiciary & Hawaiian Affairs and on Agriculture & Food Systems March 13, 2024 Page 2 of 2

public notice of the special meeting under the Sunshine Law. Further, it is not clear what additional purpose this bill's special meeting notice requirement serves given that the Sunshine Law already requires the Board to notify members and the public of every meeting, whether regular or special. Further, if Board members did communicate outside a meeting about whether a special meeting was needed and whether to waive notice in accordance with this provision, that communication could well result in a discussion of the Board's business outside a meeting in violation of the Sunshine Law. Since the provision for notice of special meetings appears superfluous to the Sunshine Law's existing notice requirement and could even lead to a Sunshine Law violation, OIP recommends that this Committee delete the special meeting notice provision at bill page 32 lines 15-20.

Thank you for considering OIP's testimony and suggested amendment.

To The Honorable Senate Committee

Thank you for the opportunity to testify in strong opposition of SB 3335, SD2 RELATING TO CANNABIS

From Kauai Complex Area Principals

We would like to share our concerns as principals in the public school system. We have strong concerns regarding the impact of legalizing adult cannabis use. Legalizing use will allow for youths to have more access and accessibility. With an already challenging landscape we face as leaders in education, we would like you to imagine the impact and challenges our schools, students, and community will face with the legalization of cannabis. Your careful review of the impact is critical. Kauai Complex Area Principals strongly oppose SB 3335, SD2 RELATING TO CANNABIS, as we believe in the Hawaii Department of Education's foundational belief of a Safe and Drug Free learning and working environment for all.

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

JOSH GREEN, M.D.

SYLVIA LUKE LIEUTENANT GOVERNOR

OFFICE OF THE PUBLIC DEFENDER

EMPLOYEES' RETIREMENT SYSTEM HAWAI'I EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

LUIS P. SALAVERIA

SABRINA NASIR DEPUTY DIRECTOR

STATE OF HAWAI'I
DEPARTMENT OF BUDGET AND FINANCE
Ka 'Oihana Mālama Mo'ohelu a Kālā

P.O. BOX 150 HONOLULU, HAWAI'I 96810-0150 ADMINISTRATIVE AND RESEARCH OFFICE BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION FINANCIAL ADMINISTRATION DIVISION OFFICE OF FEDERAL AWARDS MANAGEMENT

### **WRITTEN ONLY**

TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEES ON JUDICIARY AND HAWAIIAN AFFAIRS
AND AGRICULTURE AND FOOD SYSTEMS
ON
SENATE BILL NO. 3335. S.D. 2

March 13, 2024 2:00 p.m. Room 325 and Videoconference

#### **RELATING TO CANNABIS**

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

Senate Bill (S.B.) No. 3335, S.D. 2, intends the following: 1) establishes the Hawai'i

Hemp and Cannabis Authority (HHCA), Hemp and Cannabis Control Board, and Hemp and Cannabis Control Implementation Advisory Committee, all administratively attached to the Department of Commerce and Consumer Affairs (DCCA); 2) legalizes the sale and possession of cannabis for non-medical adult use beginning January 1, 2026; 3) establishes the Cannabis Regulation, Nuisance Abatement, and Law Enforcement Special Fund (CRSF) to be administered and expended by HHCA, the Department of the Attorney General (AG), and the Department of Law Enforcement (LAW); 4) establishes the Cannabis Social Equity, Public Health and Education, and Public Safety Special Fund (CSESF) to be administered by HHCA; 5) establishes the Hawai'i Hemp Grant Program and other grant programs in HHCA; 6) requires the Department of Taxation (TAX), starting January 1, 2026, to administer a cannabis tax permit and collect 14% of the gross proceeds of sales from cannabis, excluding medical cannabis, and 4% of the gross

proceeds of sales of medical cannabis, excluding wholesale, with allocations of 50% of revenues to each of the CRSF and CSESF; 7) specifies that the standard general excise tax (GET) shall not apply to the retail or wholesale sale of cannabis and medical cannabis; 8) transfers all appropriations, property, and other interests held by various agencies to HHCA; 9) transfers all unexpended and unencumbered balances of various hemp and cannabis-related special funds with 50% allocations to each of the CRSF and CSESF; and 10) amends or repeals various parts of the HRS and other Acts pertaining to cannabis.

Furthermore, this bill makes blank appropriations to DCCA's HCCA, TAX, AG, and LAW for unspecified amounts of FTE positions, general funds, and special fund ceiling to administer the various intents of this bill. It should be further noted that Section 72 provides an extended lapse date of June 30, 2026, for all appropriations.

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

1) serve a need as demonstrated by the purpose, scope of work and an explanation why the program cannot be implemented successfully under the general fund appropriation process; 2) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries or a clear link between the program and the sources of revenue;

3) provide an appropriate means of financing for the program or activity; and

4) demonstrate the capacity to be financially self-sustaining. Regarding S.B. No. 3335, S.D. 2, it is difficult to determine whether the proposed CRSF and CSESF will be self-sustaining.

Furthermore, B&F recommends the transfer of appropriations, positions, and other assets from the Department of Agriculture (DOA) and Department of Health (DOH) to DCCA's HHCA, currently set for the bill's defective date of December 31, 2050, be

effective no earlier than July 1, 2025, to allow B&F sufficient time to consult with the affected agencies and facilitate the transfer.

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

Finally, B&F notes this bill will generate estimated tax revenues of \$4,400,000 for FY 26 and \$17,000,000 for FY 27, to be allocated at 50% each to the CRSF and the CSESF, based on TAX's projections. However, it is noted that the exemption of cannabis sales from GET will result in a general fund revenue loss of \$1,000,000 for FY 26 and \$2,500,000 in FY 27 and other "sin" taxes usually allocate a large portion of their revenues to the general fund to support the State's overall operations.

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

Thank you for your consideration of our comments.



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

**SYLVIA LUKE** LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA

# STATE OF HAWAII | KA MOKUʻĀINA ʻO HAWAIʻI OFFICE OF THE DIRECTOR DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS KA ʻOIHANA PILI KĀLEPA

NADINE Y. ANDO DIRECTOR | KA LUNA HO'OKELE

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

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
House Committee on Judiciary & Hawaiian Affairs
and
House Committee on Agriculture & Food Systems

Wednesday, March 13, 2024 2:00 p.m. Conference Room 325 & Via Videoconference

On the following measure: S.B. 3335, S.D.2, RELATING TO CANNABIS.

#### **Written Only**

Chair Tarnas, Chair Gates, and Members of the Committees:

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

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

Health and assets of the Department of Agriculture to the Hawai'i Cannabis Authority; and (6) appropriate funds.

The Department acknowledges the complex nature of the cannabis issue, involving considerations related to public health, safety, and economic opportunities. The commitment to public health protections, including an extensive public health and education campaign, reflects a responsible approach to mitigate potential risks associated with cannabis use. The DCCA also supports the intent to establish a zero-tolerance policy toward distributing cannabis to individuals under the age of twenty-one and driving under the influence of cannabis.

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

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

Thank you for the opportunity to offer comments on this bill.

#### SB-3335-SD-2

Submitted on: 3/11/2024 12:05:27 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Hannah Loyola	Hawaii Department of Education	Oppose	Written Testimony Only

#### Comments:

Aloha Chairs Dela Cruz and Keohokalole, Vice Chairs Moriwaki and Fukunaga, and members of the committees,

My name is Hannah Loyola, principal at Kohala Elementary School and am testifying in opposition to Senate Bill 3335 SD 1.

I am concerned about the negative impacts on my school's students resulting from the legalization of recreational cannabis for adults 21 and over.

At my school, we have experienced challenges with family engagement. I am concerned that this would further hinder family engagement as it would impede the family's ability to fully engage and support their child's learning from home. I am also concerned that there is a risk of exposure and access to students if this becomes readily available in their homes. In addition, legalization of recreational cannabis could potentially impact our workforce. We are already struggling to fill positions to run our school.

Schools are a main source of student support and increased cannabis use could require additional school counseling and mental health support needs. Further, our school would need comprehensive training to help educators identify signs of use and its impact on academic performance. We must take steps to prevent unintended consequences of more permissive cannabis policies.

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

JOSH GREEN, M.D. GOVERNOR

ERIKA BLANCO PRINCIPAL, T.A.



#### KEITH HAYASHI SUPERINTENDENT

JANETTE SNELLING
COMPLEX AREA SUPERINTENDENT

## STATE OF HAWAII DEPARTMENT OF EDUCATION

HONOKAA HIGH AND INTERMEDIATE SCHOOL
45-527 PAKALANA STREET
HONOKAA, HAWAII 96727
PHONE: (808) 775-8800
FAX: (808) 775-8803

March 11, 2024

Subject: Testimony in Opposition to Senate Bill 3335 SD 1

Aloha Honorable Chairs Dela Cruz and Keohokalole, Vice Chairs Moriwaki and Fukunaga, and Esteemed Members of the Committees.

My name is Erika Blanco, and I am the principal at Honokaa High and Intermediate School. I am writing to express my strong opposition to Senate Bill 3335 SD 1, which seeks to legalize recreational cannabis for individuals aged 21 and over. My concerns are rooted in the firsthand experiences our school community has faced regarding cannabis use among our youth and the potential negative impacts further legalization could bring.

At Honokaa High and Intermediate, we have witnessed a troubling trend in cannabis usage among our students. Despite being below the legal age, we've seen instances where cannabis has made its way onto our campus, leading to disciplinary actions and, more importantly, affecting our students' well-being and academic performance. Our administrative and teaching staff have had to invest additional time and resources into managing these incidents, which diverts our focus from educational goals.

Moreover, we've observed the broader implications of cannabis accessibility on teenagers' mental and physical health. Research consistently shows that cannabis use during adolescence can lead to significant cognitive and emotional problems. Given these potential risks, our school has had to increase our vigilance and invest in preventive measures to combat drug use among our students.

The passage of Senate Bill 3335 SD 1 could exacerbate these challenges by normalizing cannabis use and making it more accessible, even if indirectly, to students under 21. This would likely lead to increased cannabis use among our youth, necessitating additional resources for school counseling and mental health support. Educators would also require comprehensive training to effectively identify signs of cannabis use and understand its impact on learning and student behavior. Without such measures, we risk failing to address and mitigate the harmful effects on our students' academic and personal development.

Schools play a critical role in supporting students, not just academically but also in their overall well-being. The potential increase in cannabis use prompted by the legalization for adults poses a direct threat to this support system. It's imperative that we consider the unintended consequences of more permissive cannabis policies on our youth and the additional burdens they place on educational institutions.

I urge the committees to reconsider the implications of Senate Bill 3335 SD 1 on our students and schools. Our priority must be to safeguard the health and future of our youth, and I believe that opposing this bill is a step in the right direction.

Thank you for the opportunity to provide testimony on this critical issue.

Sincerely,

Erika Blanco Principal, Honokaa High and Intermediate School



#### STATE OF HAWAI'I DEPARTMENT OF EDUCATION KA 'OIHANA HO'ONA'AUAO P.O. BOX 2360

P.O. BOX 2360 HONOLULU, HAWAI'I 96804

**Date:** 03/13/2024 **Time:** 02:00 PM

Location: 325 VIA VIDEOCONFERENCE

**Committee:** House Judiciary & Hawaiian Affairs

House Agriculture & Food Systems

**Department:** Education

Person Testifying: Keith T. Hayashi, Superintendent of Education

Title of Bill: SB 3335, SD2 RELATING TO CANNABIS.

Purpose of Bill: Establishes the Hawaii Hemp and Cannabis Authority and Hemp and Cannabis

Control Board within the Department of Commerce and Consumer Affairs to regulate all aspects of the cannabis plant. Establishes the Hemp and Cannabis Control Implementation Advisory Committee. Beginning January 1, 2026, legalizes the personal adult use of cannabis. Establishes taxes for adult-use cannabis and medical use cannabis sales. Transfers the personnel and assets of the Department of Health and assets of the Department of Agriculture relating to cannabis to the Hawaii Hemp and Cannabis Authority. Declares that the general

fund expenditure ceiling is exceeded. Makes appropriations. Takes effect

12/31/2050. (SD2)

#### **Department's Position:**

The Hawaii State Department of Education (Department) respectfully provides comments on SB 3335, SD2, and wishes to register its strong concerns with the potential impacts this bill could have.

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

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

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

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

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

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

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

JOSH GREEN, M.D. Governor

> SYLVIA LUKE Lt. Governor



SHARON HURD
Chairperson, Board of Agriculture

**DEXTER KISHIDA**Deputy to the Chairperson

### State of Hawai'i **DEPARTMENT OF AGRICULTURE**

KA 'OIHANA MAHI'AI 1428 South King Street Honolulu, Hawai'i 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613

## TESTIMONY OF SHARON HURD CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE
COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS
AND
COMMITTEE ON AGRICULTURE & FOOD SYSTEMS

WEDNESDAY, MARCH 13, 2024 2:00 PM CONFERENCE ROOM 325 & VIDEOCONFERENCE

> SENATE BILL NO. 3335, SD2 RELATING TO CANNABIS

Chairs Tarnas and Gates, Vice Chairs Takayama and Kahaloa, and Members of the Committees:

Thank you for the opportunity to testify on SB 3335, SD2. This bill establishes the Hawaii Hemp and Cannabis Authority and Hemp and Cannabis Control Board within the Department of Commerce and Consumer Affairs to regulate all aspects of the cannabis plant. Establishes the Hemp and Cannabis Control Implementation Advisory Committee. Beginning January 1, 2026, legalizes the personal adult use of cannabis. Establishes taxes for adult-use cannabis and medical use cannabis sales. Transfers the personnel and assets of the Department of Health and assets of the Department of Agriculture relating to cannabis to the Hawaii Hemp and Cannabis Authority. Declares that the general fund expenditure ceiling is exceeded. Makes appropriations.

The Hawaii Department of Agriculture (HDOA) strongly supports the "one-plant" approach provided for in SB 3335 SD2. The HDOA also supports the inclusion of the provisions based on Act 263, Session Laws of Hawaii 2023 and the Agriculture Improvement Act of 2018, informally known as 2018 Farm Bill, within the new Hawaii Hemp and Cannabis Authority, as those were included in response to concerns raised by the Hawaii Hemp Farmers Association.

These provisions are intended to provide legal support to the hemp farmers and the hemp industry in Hawaii, particularly those in Section Part VIII.

HDOA supports the inclusion of provisions requiring hemp growers in Hawaii to comply with the USDA regulations regarding hemp production licensing in Section A-132 of SB 3335 SD1, and requiring compliance with the hemp cultivation buffer zones in Section A-132(b). This action ensures that no redundant regulations are imposed on the hemp farmers and clarifies that the USDA regulates hemp cultivation in Hawaii.

HDOA supports the language in SB 3335 SD2, which makes clear that industrial hemp will not be regulated like cannabinoid hemp. The bill clearly differentiates industrial hemp from cannabis, as one of the main concerns of hemp growers is preventing industrial hemp, which is not a Schedule I substance under the Controlled Substances Act, from being lumped in with cannabis. In this bill, it is not.

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

Thank you for the opportunity to testify on this measure.



#### STATE OF HAWAI'I

STATE COUNCIL
ON DEVELOPMENTAL DISABILITIES
1010 RICHARDS STREET, Room 122
HONOLULU, HAWAI'I 96813
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543
March 13, 2024

The Honorable Representative David A. Tarnas, Chair House Committee on Judiciary & Hawaiian Affairs The Honorable Representative Cedric Asuega Gates, Chair House Committee on Agriculture & Food Systems The Thirty-Second Legislature State Capitol State of Hawai'i Honolulu, Hawai'i 96813

Dear Representative Tarnas, Representative Gates, and Committee Members:

SUBJECT: SB3335 SD2 RELATING TO CANNABIS.

The Hawaii State Council on Developmental Disabilities offers the following comments on SB3335 SD2, which establishes the Hawai'i Hemp and Cannabis Authority and Hemp and Cannabis Control Board within the Department of Commerce and Consumer Affairs to regulate all aspects of the cannabis plant. Establishes the Hemp and Cannabis Control Implementation Advisory Committee. Beginning January 1, 2026, legalizes the personal adult use of cannabis. Establishes taxes for adult-use cannabis and medical use cannabis sales. Transfers the personnel and assets of the Department of Health and assets of the Department of Agriculture relating to cannabis to the Hawai'i Hemp and Cannabis Authority. Declares that the general fund expenditure ceiling is exceeded. Makes appropriations. Takes effect 12/31/2050. (SD2)

While we recognize the potential benefits of regulated cannabis use, particularly for medical purposes, we have significant concerns regarding the recreational use of cannabis, specifically in relation to the flavoring of THC vape pens. Research indicates that the flavoring of vapes increases their appeal to adolescents, as it masks the taste of chemicals in the liquid<sup>1</sup>. This increased appeal may lead to a rise in the recreational use of THC vape pens among youth, including individuals with developmental disabilities (DD). The enticing flavors and easy accessibility of flavored THC vape pens may inadvertently target individuals with DD, potentially exacerbating their vulnerability to substance use disorders and other negative health outcomes.

It is crucial to consider the potential negative impacts of increased recreational cannabis use on individuals with DD, including compromised cognitive function, impaired judgment, and heightened risk of addiction<sup>2</sup>. Additionally, the availability of

[1] Children's Hospital Boston. (n.d.). Vaping: How to keep children safe. Retrieved from <a href="https://answers.childrenshospital.org/vaping-keep-children-safe/">https://answers.childrenshospital.org/vaping-keep-children-safe/</a>

Honorable David A. Tarnes, Chair SB335-SD2 COMMENTS Page 2

flavored THC vape pens may further entrench the recreational use of cannabis among this population, undermining efforts to promote their overall well-being and quality of life. We urge careful consideration of measures to mitigate the accessibility and attractiveness of flavored THC vape pens for recreational purposes.

Thank you for the opportunity to submit comments on SB3335 SD2.

Sincerely,

Daintry Bartoldus Executive Administrator

# DEPARTMENT OF THE PROSECUTING ATTORNEY KA 'OIHANA O KA LOIO HO'OPI'I CITY AND COUNTY OF HONOLULU

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PROSECUTING ATTORNEY
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THOMAS J. BRADY FIRST DEPUTY PROSECUTING ATTORNEY HOPE MUA LOIO HO'OPI'I



# THE HONORABLE DAVID A. TARNAS, CHAIR HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

Thirty-Second State Legislature Regular Session of 2024 State of Hawai'i

# THE HONORABLE CEDRIC A. GATES, CHAIR HOUSE COMMITTEE ON AGRICULTURE & FOOD SYSTEMS

Thirty-Second State Legislature Regular Session of 2024 State of Hawai'i

March 13, 2024

#### RE: S.B. 3335, SD2; RELATING TO CANNABIS.

Chairs Tarnas and Gates, Vice-Chairs, and members of the committees, the Department of the Prosecuting Attorney of the City and County of Honolulu ("Department") submits the following testimony in **strong opposition** to S.B. 3335, SD2.

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

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

To begin with, some may believe legalizing commercial marijuana nationwide is a foregone conclusion. However, according to Smart Approaches to Marijuana (SAM), of the 20 states considering legalizing commercial marijuana last year, only three approved legislation. The majority, 17, did not. That is 85% of the states that considered legalizing commercial marijuana saying, "No!"

Legalizing commercial marijuana in Hawai'i would have dramatic impacts on the place we love. And we don't need to guess what those impacts would be. Local experts have already issued stark warnings and we need only look at other states (e.g. Colorado with ten years of

Testimony of the Department of the Prosecuting Attorney February 13, 2024 Page 2

legalization) to see what awaits us if we take the consequential step of legalizing commercial marijuana.

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

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

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

Fourth, opening up State-approved marijuana stores will not eliminate the black market that has operated for decades. With more marijuana users overall, the black market will increase. And the black market is always cheaper. That means more illegal marijuana grows and increased violence associated with criminals robbing them and the violent efforts to protect them. There will also be robberies of the cash-only marijuana stores.

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

Sixth, there will be an increase in fatal car collisions. In the Rocky Mountain area in 2013, 14.8% of drivers involved in traffic fatalities tested positive for marijuana. That number increased to 24.3% in 2020. That means we will see nearly twice as many victims and twice as many manslaughter and negligent homicide cases. In addition, 48.8% of teenage drivers who use marijuana reported driving under the influence. Currently, HPD has no way to test for marijuana in impaired drivers.

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

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

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

Tenth, regardless of the type of regulatory system you establish or how much money you spend doing so, the fact remains that you would be legalizing for mass consumption a now very

Testimony of the Department of the Prosecuting Attorney February 13, 2024 Page 3

powerful drug. Labeling it "adult-use" or spending money on Public Service Announcements to try to deter our keiki from smoking marijuana is naïve at best, and in any case ineffective. We need only look at alcohol, tobacco, and vaping to see how unsuccessful society has been at restricting use to adults.

Eleventh, finally, and perhaps most importantly, the folks from Colorado, where there are now more commercial marijuana stores (1,038) than Starbucks and McDonald's combined (712), have warned us that legalizing marijuana would change the character of Hawai'i forever. Let's not do that. Let's keep Hawai'i, Hawai'i and say no to legalizing commercial marijuana.

Thank you for this opportunity to testify on S.B. 3335, SD2.

## POLICE DEPARTMENT KA 'OIHANA MĀKA'I O HONOLULU

#### CITY AND COUNTY OF HONOLULU

801 SOUTH BERETANIA STREET • HONOLULU, HAWAI'I 96813 TELEPHONE: (808) 529-3111 • WEBSITE: www.honolulupd.org

RICK BLANGIARDI MAYOR MEIA



ARTHUR J. LOGAN CHIEF *KAHU MĀKA'I* 

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

OUR REFERENCE ML-HR

March 13, 2024

The Honorable David A. Tarnas, Chair and Members
Committee on Judiciary and Hawaiian Affairs
The Honorable Cedric Asuega Gates, Chair and Members
Committee on Agriculture and Food Systems
House of Representatives
415 South Beretania Street, Room 325
Honolulu, Hawaiii 96813

Dear Chairs Tarnas and Gates and Members:

SUBJECT: Senate Bill No. 3335, S.D.2, Relating to Cannabis

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

The HPD opposes Senate Bill No. 3335, S.D.2, Relating to Cannabis.

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

The HPD urges you to oppose Senate Bill No. 3335, S.D.2, Relating to Cannabis. Thank you for the opportunity to testify.

APPROVED:

Sincerely.

Arthur J. Logan Chief of Police

Narcotics/Vice Division

Mayor

County of Hawai'i

Benjamin T. Moszkowicz

Police Chief

Reed K. Mahuna Deputy Police Chief

#### POLICE DEPARTMENT

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

February 9, 2024

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

Dear Chairs San Buenaventura and Rhoads:

RE: SENATE BILL (SB) 3335, RELATING TO CANNABIS

HEARING DATE: FEBRUARY 13, 2024

TIME: 9:00 AM

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

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

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

In Michigan among those fatal crashes where cannabis was tested the proportion of tests that were positive for cannabinoids more than tripled over 13 years from 6.7% in 2004 to 23.4% in 2017.

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

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

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

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

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

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

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

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

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

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

PAGE 3 OF 4

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

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

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

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

Sincerely.

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

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  <u>Drug | AAA Newsroom</u>
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## **SB-3335-SD-2**

Submitted on: 3/12/2024 4:12:01 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Sherry Bird	Hawaii Police Department	Oppose	In Person

#### Comments:

Will provide in-person testimony in strong opposition.

## **SB-3335-SD-2**

Submitted on: 3/13/2024 9:06:21 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Gregg Okamoto	Maui Police	Oppose	Remotely Via Zoom

Comments:

Oppose

#### **COUNTY COUNCIL**

Mel Rapozo, Chair KipuKai Kuali'i, Vice Chair Addison Bulosan Bernard P. Carvalho, Jr. Felicia Cowden Bill DeCosta Ross Kagawa



#### Council Services Division 4396 Rice Street, Suite 209 Līhu'e, Kaua'i, Hawai'i 96766

March 8, 2024

#### OFFICE OF THE COUNTY CLERK

Jade K. Fountain-Tanigawa, County Clerk Lyndon M. Yoshioka, Deputy County Clerk

> Telephone: (808) 241-4188 Facsimile: (808) 241-6349 Email: cokcouncil@kauai.gov

#### TESTIMONY OF ADDISON BULOSAN COUNCILMEMBER, KAUA'I COUNTY COUNCIL ON

SB 3335, SD 2, RELATING TO CANNABIS
House Committee on Judiciary & Hawaiian Affairs
House Committee on Agriculture & Food Systems
Wednesday, March 13, 2024
2:00 p.m.
Conference Room 325
Via Videoconference

Dear Chair Tarnas, Chair Gates, and Members of the Committees:

Thank you for this opportunity to provide testimony in SUPPORT of SB 3335, SD 2, Relating to Cannabis. My testimony is submitted in my individual capacity as a member of the Kaua'i County Council.

I wholeheartedly support the intent of SB 3335, SD 2, which would greatly affect the Kaua'i community.

Thank you again for this opportunity to provide testimony in support of SB 3335, SD 2. Should you have any questions, please feel free to contact me or Council Services Staff at (808) 241-4188 or via email to cokcouncil@kauai.gov.

Sincerely,

ADDISION BULOSAN

Councilmember, Kaua'i County Council

AAO:dmc

Rebecca V. Like Prosecuting Attorney



**Keola Siu**First Deputy
Prosecuting Attorney

#### OFFICE OF THE PROSECUTING ATTORNEY

#### County of Kaua'i, State of Hawai'i

3990 Ka'ana Street, Suite 210, Līhu'e, Hawai'i 96766 808-241-1888 ~ FAX 808-241-1758 Victim/Witness Program 808-241-1898 or 800-668-5734

The Honorable David Tarnas and Cedric Asuega Gates, Chairs
House Committees on Judiciary and Hawaiian Affairs and Agriculture and
Food Systems
Thirty-third State Legislature
Regular session of 2024
State of Hawai'i
March 11, 2024

#### RE: SB 3335 Relating to Cannabis

Dear Chairs Tarnas and Gates:

Our Office shares this testimony to comment on SB 3335, Relating to Cannabis.

#### **Public Safety and Justice**

As Prosecuting Attorney in the midsize jurisdiction of Kauai, I personally see each case that requires an individual to be held (when they are unable to post bail within 48 hours of arrest). I cannot recall a single case in my almost 14 years at the Office of the Prosecuting Attorney when an individual's criminal behavior was caused due to ingestion of marijuana. Instead, most of our cases involve the use of methamphetamine or alcohol. Marijuana for personal use is not a matter of public safety. Instead, failing to develop a regulatory framework for marijuana and hemp leads to more public safety concerns.

Evidence suggests that marijuana use remains relatively constant among various demographics. However, those prosecuted and incarcerated for marijuana-related offenses continue to be historically marginalized communities. A 2020 report by the Americans Civil Liberties Union indicated that Black individuals were 3.6 times more likely than white individuals to be arrested for cannabis possession nationwide. This is despite nearly identical use rates 21.3 % for Black individuals and 19.5% for white individuals in the

last year. Data for Native Hawaiians is lacking, however in Hawaii, Black individuals are 1.8 times more likely to be arrested for cannabis possession than white individuals.<sup>1</sup>

Legalization of cannabis should prevent probationers from having their probation revoked for a positive urinalysis for THC. An individual's probation should not be revoked for marijuana use. In my time at OPA, I have seen individuals on HOPE Probation have their lives derailed due to a positive UA for THC. Marijuana is arguably equally as or less harmful than alcohol. Probationers need to focus on completing the critical elements of their probation, including mandated therapy, classes, job training and community service. It is unfortunate when an otherwise successful probationer gets revoked because of a positive UA for THC. It is also inequitable because of the way different individuals metabolize THC.

#### **Vulnerable Citizens**

As chief law enforcement for the County of Kauai, my concerns about marijuana legalization mirror those of my law enforcement colleagues opposing the bill. However, my perspective is different. I share concerns about children and young people being exposed to marijuana. Evidence abounds about the harmful impact of marijuana on youth. Legalization of marijuana for adult use may lead to the perception among youth that it is not harmful.

The empirical evidence suggests that in states where marijuana is legal, there is no corresponding increase in youth use of the substance. Further, it appears it is often easier for minors to acquire an illegal substance than a legal one. Consider tobacco and alcohol. Also, in jurisdictions where public sale of marijuana is illegal, including Hawaii, there is a proliferation of smoke shops selling a variety of products. The location of these smoke shops appears to be unregulated based on how easy they are to spot. In contrast, dispensaries are in discreet locations, typically out of public view.

The Attorney General seems to acknowledge this in the report on the bill draft:

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

<sup>&</sup>lt;sup>1</sup> A Tale of Two Countries: Racially Targeted Arrests in the Era of Marijuana Reform; ACLU Research Report, American Civil Liberties Union, 2020.

cannabinoid product, created with unclear manufacturing practices, that could contain harmful contaminants.

For these reasons, the final draft bill allows the Authority to create a restricted cannabinoid product list for specific products deemed harmful to public health or public safety. Hemp-derived cannabinoid products on the list would require a permit to sell or be prohibited to sell. Fees, eligibility criteria and other restrictions, including restricting sales to consumers over the age of 21, can be developed by rules.<sup>2</sup>

Teenagers experiment. It is in their nature. It would be naïve to think that legalization would get rid of illicit market marijuana sales, but it would guarantee some level of quality control, not just for cannabis, but for hemp-derived products as well. It would ensure that marijuana sold in legal dispensaries is free of fentanyl, mold, and pesticide. It would be sold in a childproof, sealed container.

The demographic that has seen an increase in marijuana use is the elderly. In Colorado, the largest increase in use has taken place among individuals 65 or older. Marijuana usage rates among those 65 or older has more than tripled since 2014.<sup>3</sup> Our kupuna are vulnerable to additional aches and pains as they age. They are more likely to have physical ailments that could benefit from marijuana in some form. However, they may be disinclined to seek a costly prescription (average cost \$200) and go to a medical dispensary. Marijuana and related derivatives should be preferred for kupuna over the use of narcotics, especially opioids.

#### **Driving While Under the Influence**

In our small community, crashes and traffic-related fatalities are especially traumatic. There have been lively discussions about increases in impaired driving following states with legal marijuana. However, many of these statistics can be deceptive. In many jurisdictions, legalization coincided with increased funds for law enforcement leading to more Officers arresting and citing individuals for being under the influence of marijuana. Correlation does not equal causation. Similarly, if marijuana is legalized in Hawaii, more funds should be spent on DREs and enforcement of impaired driving laws.

Relatedly, there should be restrictions on where marijuana can be ingested and how it should be stored while traveling. One of the loudest anti-

<sup>&</sup>lt;sup>2</sup> Report Regarding the Final Draft Bill Entitled "Relating to Cannabis," Prepared by the Department of the Attorney

<sup>&</sup>lt;sup>3</sup> Impacts of Marijuana Legalization in Colorado: A Report Pursuant to C.R.S. 24-33.4-516, Colorado Division of Criminal Justice: Department of Public Safety, July 2021.

legalization arguments I hear is that our beaches will be full of marijuana smoke. I find this is often already the case. If there are restrictions on places of use and increased enforcement of driving under the influence, these concerns can be readily addressed.

It is important to recognize that laws regulating use in public, and storage should be limited to a civil nuisance citation punishable by a fine or community service work to avoid the continued criminalization of poor and marginalized individuals.

#### **Tourists and State Revenue**

On Kauai, many of our visitors come from the continent. According to numbers from the Hawaii Tourism Authority, 9.6 million tourists came to Hawaii in 2023. Of those 9.6 million, at least 65% (6.2 million) came from a State where cannabis is now legal or a country (mostly from Canada) where it's legal. Because of Hawaii's climate and history, marijuana has been plentiful here for generations. When individuals who use cannabis visit Hawaii, they will try to find cannabis. Where will they find it and what will they find? Most folks probably go to the existing medical dispensaries. However, they will not be able to get it there. Instead, they will likely go to our beach parks and public paths where unregulated marijuana is readily available. Not only does this put our citizens at risk, but it is also an untapped source of tourist revenue for the State.

Tourists will continue to come to Hawaii from all over the globe whether marijuana is legal or not. Individuals, both residents and visitors, will continue to use marijuana, regardless of whether it is regulated. State regulation and taxation of marijuana and hemp makes sense in a state so dependent on tourist revenue.

The County of Kauai Office of the Prosecuting Attorney offers the above comments to consider in the ongoing discussion of cannabis legalization.

Thank you very much for the opportunity to testify.

/s/Rebecca Like

Rep. David A. Tarnas, Chair Rep. Gregg Takayama, Vice Chair Committee on Judiciary & Hawaiian Affairs

Rep. Cedric Asuega Gates, Chair Rep. Kirstin Kahaloa, Vice Chair Committee on Agriculture & Food Systems

Wednesday, March 13, 2024 2:00 PM in Room 325

RE: SB3335 SD2 Cannabis Legalization - Comments w/Amendments

Dear Chairs Tarnas & Gates, Vice Chairs Takayama & Kahaloa, and Honorable Members of both Committees,

The Ala Moana - Kakaako Neighborhood Board (NB #11) adopted the RESOLUTION SUPPORTING THE LEGALIZATION, REGULATION AND TAXATION OF CANNABIS FOR RESPONSIBLE ADULT USE, on February 27, 2024, by unanimous consent (7 Ayes - 0 Noes) (Please see attached).

NB #11 is located within House Districts 23, 24 & 25, represented in the Hawai'i State House by Representatives Scott Nishimoto, Adrian Tam, and Scott Saiki, respectively.

We urge your committees to ensure the following provisions are included in the authorizing legislation:

- 1) Ensure cannabis cultivation subsidizes the high costs of growing food in Hawai'i by issuing the first commercial growing permits for non-medical cannabis to farmers who are already growing produce for local consumption for example 1 acre of cannabis to 9 acres of produce for local consumption
- 2) Increasing tax revenue to supplement (not supplant) education, housing vouchers for affordable housing, social services, and mental health services, including drug treatment
- 3) Undermining the illegal drug market by keeping the price of cannabis from a licensed retailer lower than the price of crystal meth from an illegal dealer
- 4) Reducing barriers to employment for those with cannabis-related criminal records
- 5) Ameliorating social injustices of cannabis criminalization by ensuring access to equitable economic opportunities post-legalization

Thank you for your consideration, Dyson Chee NB #11 Vice Chair



#### ALA MOANA-KAKA'AKO NEIGHBORHOOD BOARD NO. 11

c/o NEIGHBORHOOD COMMISSION • 925 DILLINGHAM BOULEVARD, SUITE 160 • HONOLULU, HAWAII, 96817 PHONE (808) 768-3710 • FAX (808) 768-3711 • INTERNET <a href="http://www.honolulu.gov/nco">http://www.honolulu.gov/nco</a>

## RESOLUTION SUPPORTING THE LEGALIZATION, REGULATION AND TAXATION OF CANNABIS FOR RESPONSIBLE ADULT USE

WHEREAS, 24 states and the District of Columbia have legalized responsible adult cannabis use;

WHEREAS, according to many studies published by the National Institutes of Health, legal cannabis use has lower health risks than alcohol or tobacco;

WHEREAS, unregulated cannabis available on the streets of the Ala Moana – Kakaako Neighborhood are made of uncertain composition and potency, increasing the risk of overconsumption and other negative health impacts for consumers;

WHEREAS, regulated cannabis commerce can ensure that adult consumers are making informed choices through quality assurance mechanisms like accurate labeling that delineates potency and composition, batch testing, and access to science-based educational materials:

WHEREAS, Operation Green Harvest in the late 1970s, wiped out cannabis crops in Hawaii and triggered an epidemic of addiction to crystal meth, which continues to contribute to Hawaii having one of the highest rates of homelessness in the country;

WHEREAS, data indicates that the availability of regulated cannabis products can result in reduced use of alcohol, non-medical opioids, and may reduce relapse-cravings for those recovering from crystal meth addiction;

NOW, THEREFORE, BE IT RESOLVED that the Ala Moana-Kakaako Neighborhood Board supports the legalization, regulation, and taxation of cannabis for responsible adult use, with consideration for the following potential benefits:

- ensure cannabis cultivation subsidizes the high costs of growing food in Hawaii by issuing the first commercial growing permits for non-medical cannabis to farmers who are already growing produce for local consumption for example one acre of cannabis to 9 acres of produce for local consumption.
- increasing tax revenue to supplement (not supplant) education, housing vouchers for affordable housing, social services, and mental health services, including drug treatment.
- undermining illegal drug market by keeping the price of cannabis from a licensed retailer lower than the price of crystal meth from an illegal dealer.
- reducing barriers to employment for those with cannabis-related criminal records.
- ameliorating social injustices of cannabis criminalization by ensuring access to equitable economic opportunities post-legalization.

BE IT FURTHER RESOLVED that copies of this signed resolution be sent to Hawaii's Legislators and Governor, and Honolulu's Council Members and Mayor.

The Ala Moana / Kakaako Neighborhood Board No. 11 approved and adopted this resolution at its Tuesday, February 27, 2024 Regular Board meeting. Iwamoto Moved and Chee Seconded the Motion to adopt the Cannabis Resolution; The Resolution was adopted 7-0-0, (AYE: Chee, Davis, Farinas, Iwamoto, Rice, Faringer, Lee. NAY: None. ABSTAIN: None.)



# POLICE DEPARTMENT COUNTY OF KAUAI



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

Before the
Committee on Judiciary & Hawaiian Affairs
And the
Committee on Agriculture & Food Systems
March 13, 2024, 2:00 PM
Conference Room 325 & via Videoconference

In consideration of Senate Bill 3335 S.D. 2 Relating to Cannabis

Honorable JHA Chair Tarnas, Honorable JHA Vice-Chair Takayama, Honorable AGR Chair Gates, Honorable AGR Vice-Chair Kahaloa, and Committee Members:

The Kaua'i Police Department (KPD) strongly opposes Senate Bill 3335 S.D. 2 Relating Cannabis.

Passage of Senate Bill 3335 S.D. 1 will create a commercialized cannabis industry resulting in the expansion of marijuana use, increased criminal activity, increased illegal marijuana grow operations that will pollute and damage state and private lands and waterways, and increased danger on our roadways by drugged drivers thereby negatively affecting our quality of life and impacting public safety.

State sanctioned commercial marijuana sales do not decrease illegal markets instead, criminal drug markets and associated crimes flourish. In California an audit found nearly 3,000 illegal marijuana businesses dwarfing the legal marijuana trade in that state. In other jurisdictions with commercialized marijuana operations, police departments have been forced to create costly marijuana only task forces to respond to the explosion of the marijuana black market. Successfully investigating illegal marijuana grow operations is often described as trying to find a needle in a stack of needles.

In states with legal commercialized cannabis sales, marijuana drug trafficking organizations have increased and are linked to international drug cartels unleashing horrible crimes on the communities where they exist. In January, an armed turf war over the illicit marijuana trade in California resulted in the mass murder of 6 individuals.<sup>2</sup> Other states with commercialized marijuana operations have also seen murders and human trafficking related to the illicit marijuana trade. Illegal marijuana drug



<sup>&</sup>lt;sup>1</sup> Nearly 3,000 illegal marijuana businesses found in California audit, dwarfing legal trade, <a href="https://www.latimes.com/california/story/2019-09-11/california-marijuana-black-market-dwarfs-legal-pot-industry">https://www.latimes.com/california/story/2019-09-11/california-marijuana-black-market-dwarfs-legal-pot-industry</a>

<sup>&</sup>lt;sup>2</sup> Massacre Leads to Grim Toll of Illegal Pot Violence, <a href="https://shorturl.at/xINX4">https://shorturl.at/xINX4</a>

traffickers in California and Oregon have been tied to transnational drug cartels with ties to human trafficking.<sup>3</sup>

States with a commercialized cannabis industry have attracted the attention of the Chinese government. Recently, a bi-partisan group of more than 50 members of Congress sent a letter to the U.S. attorney general warning that Chinese government is now engaging in the illicit marijuana trade in the US. Officials in Maine, Oregon, Oklahoma, and California have identified Chinese links to the purchase of hundreds of properties being used for large-scale illicit marijuana operations producing billions of dollars in drug revenue being sent back to mainland China.<sup>4</sup>

The commercialization of cannabis has caused increases in crime in communities. I observed first-hand how crime flourished behind the cover of marijuana legalization when Nevada legalized the possession and commercial sales of marijuana in 2017. Homicides related to an altercation over drugs increased twenty-one percent (21%) in 2017 compared to 2016. And marijuana was the cause of the altercation in fifty-three percent (53%) of those homicides. Fifty-eight percent (58%) of all drug-related murders in 2017 involved marijuana.<sup>5</sup>

After the commercialization of marijuana in Nevada, illegal marijuana delivery services, black market marijuana grows, drug related robberies, and violent crime targeting unsuspecting tourists and marijuana customers increased. Nevada is not alone, other states with commercialized marijuana schemes have seen similar increases in drug related crimes.<sup>6</sup>

The commercialization of marijuana will lead to increased seizures and illegal shipments of the drug out of Hawaii and place additional burdens on our police departments that we cannot absorb. Illicit marijuana seizures by Las Vegas Metropolitan Police Department increased 111% and the seizure of THC edibles increased 455% in 2017 compared to 2016. Seventy-two percent (72%) of the drug parcels seized in 2017 by Las Vegas police contained marijuana with at least ten percent (10%) of the marijuana being traced back to legal purchases from dispensaries and production facilities.

The commercialization and expansion of marijuana use increases motor vehicle deaths. A recent study found marijuana related traffic fatalities increased in states with legalized marijuana markets. On average, recreational marijuana markets across seven states were associated with a ten percent (10%) increase in motor vehicle accidents. Four of the seven states saw significant increases, Colorado (16%), Oregon (22%), Alaska (20%), and California (14%) (University of Illinois Chicago, 3/28/2023).<sup>7</sup>

Increased THC levels in cannabis causes significant health risks<sup>8</sup> for its users that would negatively affect our state's already fragile health care system and increase the need for treatment for addiction

<sup>&</sup>lt;sup>8</sup> Not Your Grandmother's Marijuana: Rising THC Concentrations in Cannabis Can Pose Devastating Health Risks, <a href="https://medicine.yale.edu/news-article/not-your-grandmothers-marijuana-rising-thc-concentrations-in-cannabis-can-pose-devastating-health-risks/">https://medicine.yale.edu/news-article/not-your-grandmothers-marijuana-rising-thc-concentrations-in-cannabis-can-pose-devastating-health-risks/</a>



<sup>&</sup>lt;sup>3</sup> 'Blood Cannabis' Cartel-backed pot grows linked to human trafficking, inhumane working conditions, https://shorturl.at/jowJW

<sup>&</sup>lt;sup>4</sup> China's Growing Illegal Pot Industry in the U.S. Should Spark Action, <a href="https://shorturl.at/asGW7">https://shorturl.at/asGW7</a>

<sup>&</sup>lt;sup>5</sup> Exposing Marijuana Harms at New Jersey's Black Caucus Meeting, <a href="https://shorturl.at/qwyFU">https://shorturl.at/qwyFU</a>

<sup>&</sup>lt;sup>6</sup> Impact of recreational marijuana legalization on crime: Evidence from Oregon, https://shorturl.at/hmnuA

<sup>&</sup>lt;sup>7</sup> Legal cannabis markets linked to increased motor vehicle deaths, https://shorturl.at/dsW19

and adverse mental health conditions.<sup>9</sup> Marijuana was recently described by an elected state official as a "sedative that at its worst gives people the munchies and makes them sleepy." In fact, marijuana is a powerful, psychoactive, hallucinogenic, drug. THC is the mind-altering drug within the cannabis plant. The marijuana of the 60s through the 80's averaged 5-10% THC content and the intoxicating effects were much different than it is today. Today's average marijuana THC content is 25% - 30% and it is commonly available in concentrations of 90+% THC.

The commercialization of cannabis in Hawaii will decrease quality of life in public spaces and open the door for the proliferation of neighborhood marijuana stores. The commercialization of marijuana has led to the normalization and proliferation of illegal public marijuana consumption negatively impacting the quality of life in parks and public spaces. Inescapable green clouds of marijuana smoke hover across the Las Vegas Strip, downtown Denver, San Francisco, Portland, and Seattle. In Colorado, the number of legal marijuana dispensaries far outnumber the combined number of McDonald's and Starbucks stores. As of February 2024 – 508 Starbucks, 204 McDonalds = 712 total compared to Medical Marijuana Stores – 349, Recreational Marijuana Stores – 689 = 1,038 Total.

The increase in gun violence and the expansion of our gun laws in Hawaii have given many residents grave concerns, legal marijuana will add more. In states that have legalized marijuana, lawsuits and laws have granted daily marijuana users the right to carry firearms in conflict with federal law. In New Jersey, one police union is suing a police chief for terminating officers that were found to be using marijuana in violation of federal law and department policy. At least two of the terminated officers have been reinstated. 11

Police officers are tasked with making critical life-and-death decisions often with very little time. Allowing police officers and first responders to use marijuana daily before coming to work is not a risk we should take.

It is for these reasons the Kaua'i Police Department (KPD) **strongly opposes** Senate Bill 3335 H.D. 2 Relating Cannabis.

Thank you for your time and consideration.

Sincerely,

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

<sup>&</sup>lt;sup>9</sup> The Problem with the Current High Potency THC Marijuana from the Perspective of an Addiction Psychiatrist, https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6312155/

<sup>&</sup>lt;sup>10</sup> New Jersey's Fight for Police Potheads, <a href="https://www.wsj.com/articles/new-jerseys-fight-for-police-potheads-5a7e2a47">https://www.wsj.com/articles/new-jerseys-fight-for-police-potheads-5a7e2a47</a>

<sup>&</sup>lt;sup>11</sup> New Jersey cops are winning fight to use cannabis while off duty, A state panel has ordered a cop reinstated after she was fired for using cannabis, <a href="https://shorturl.at/iPV02">https://shorturl.at/iPV02</a>

RICHARD T. BISSEN, JR. Mayor

ANDREW H. MARTIN
Prosecuting Attorney

SHELLY C. MIYASHIRO
First Deputy Prosecuting Attorney





#### DEPARTMENT OF THE PROSECUTING ATTORNEY

COUNTY OF MAUI 150 SOUTH HIGH STREET WAILUKU, MAUI, HAWAI'I 96793 PHONE (808) 270-7777 • FAX (808) 270-7625

#### TESTIMONY ON S.B. 3335 SD2 RELATING TO CANNABIS

March 12, 2024

The Honorable David A. Tarnas Chair The Honorable Gregg Takayama Vice Chair and Members of the Committee on Judiciary and Hawaiian Affairs

The Honorable Cedric Asuega Gates Chair The Honorable Kirstin Kahaloa Vice Chair and Members of the Committee on Agriculture and Food Systems

Chairs Tarnas and Gates, Vice Chairs Takayama and Kahaloa, and Members of the Committees:

The Department of the Prosecuting Attorney, County of Maui respectfully submits the following comments **in opposition to S.B. 3335 SD2**, Relating to Cannabis, and requests that the measure be deferred. This measure amends significant portions of the H.R.S. to implement the legalization and regulation of non-medicinal cannabis and cannabis products.

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

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

financial institutions, but also makes them more vulnerable to theft, robbery, money laundering and other crimes due to their increased reliance on cash transactions.

- 2. Hawai'i has a significant lack of support services for both mental health and substance abuse issues. Legalization of recreational cannabis will not fix that problem, and will in fact make it worse by making an existing intoxicant not only widely available, but heavily advertised. Furthermore, our county has spent decades trying to reduce the tragic consequences of crimes like DUI and drug-related violence and property crimes. Legalizing a psychoactive substance like cannabis for recreational use, even with built-in provisions addressing cannabis-related offenses, nullifies that work.
- 3. While State and County employees are competent, diligent and hard-working, we believe that the measure's proposed timeframe to create an effective state-wide regulatory scheme for an entirely new industry based upon the manufacturing and sale of a psychoactive substance for consumption by the general public is unrealistic.

For these reasons, the Department of the Prosecuting Attorney, County of Maui **opposes** the passage of S.B. 3335 SD2 and requests that the measure be deferred. Please feel free to contact our office at (808) 270-7777 if you have any questions or inquiries.

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

#### COUNTY COUNCIL

Mel Rapozo, Chair KipuKai Kuali'i, Vice Chair Addison Bulosan Bernard P. Carvalho, Jr. Felicia Cowden Bill DeCosta Ross Kagawa



#### Council Services Division 4396 Rice Street, Suite 209 Līhu'e, Kaua'i, Hawai'i 96766

#### OFFICE OF THE COUNTY CLERK

Jade K. Fountain-Tanigawa, County Clerk Lyndon M. Yoshioka, Deputy County Clerk

> Telephone: (808) 241-4188 Facsimile: (808) 241-6349 Email: cokcouncil@kauai.gov

March 11, 2024

TESTIMONY OF MEL RAPOZO COUNCIL CHAIR, KAUA'I COUNTY COUNCIL ON

SB 3335, SD 2, RELATING TO CANNABIS
House Committee on Judiciary & Hawaiian Affairs
House Committee on Agriculture & Food Systems
Wednesday, March 13, 2024
2:00 p.m.
Conference Room 325
Via Videoconference

Dear Chair Tarnas, Chair Gates, and Members of the Committees:

Thank you for this opportunity to provide comments and testimony in OPPOSITION of SB 3335, SD 2, Relating to Cannabis. My testimony is submitted in my individual capacity as Council Chair of the Kaua'i County Council.

The legalization of marijuana has gained momentum in recent years, but it is crucial to pause and consider the potential consequences that such a move may bring to our society. Most states that have legalized cannabis have incorporated an opt-out option wherein majority of cities and counties have opted-out. Given this, I respectfully urge the consideration of an amendment to SB 3335, SD 2, to allow individual counties the ability to opt out of legalizing adult-use (recreational) cannabis.

Additionally, please see attached for valuable information from Smart Approaches to Marijuana (SAM).

Thank you again for this opportunity to provide comments and testimony in opposition of SB 3335, SD 2. Should you have any questions, please feel free to contact me or Council Services Staff at (808) 241-4188 or via email to cokcouncil@kauai.gov.

Sincerely,

MEL RAPOZO

Uneuw\_

Council Chair, Kaua'i County Council

AAO:slr Attachment



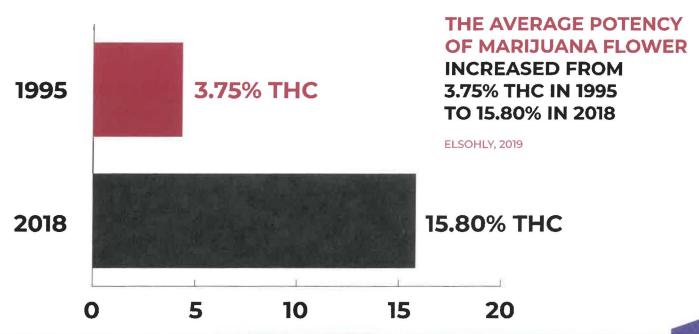
### DATA AND POLICY BACKGROUND

Contrary to federal law, under which the possession and sale of marijuana are illegal (Controlled Substances Act, 1971), several states have legalized the cultivation, commercial sale, and use of marijuana, beginning in 2012. Despite this, dozens of states continue to reject the legalization of marijuana. The vast majority of localities in "legal" states also ban the production and retail sale of marijuana. Marijuana remains illegal at the federal level, although pro-marijuana lobbyists are actively working to undue this.

Smart Approaches to Marijuana (SAM) compiled publicly available federal and state-level data, reports, investigatory findings, peer-reviewed studies, and government health surveys to assemble this report. We have attempted to be as transparent as possible in our evaluation so as to allow readers to trace our steps and further their own research. For example, in reviewing the Substance Abuse and Mental Health Services Administration (SAMHSA) data taken from the National Survey on Drug Use and Health (NSDUH), we included data from the District of Columbia in our assessment of "legal" jurisdictions. They have legalized marijuana to some degree, although their measures differ from traditional recreational marijuana programs because they continue to prohibit commercial sales.

A note on 2020 and 2021 data: the data collected during 2020 and 2021 are unique because of the COVID-19 pandemic and the change in behaviors observed by many Americans. School-age children spent their time learning at home and were less influenced by peers, fewer drivers were on the road during peak crash times, but drivers overall were more reckless, many bars and restaurants were closed for long periods of time, and many employees worked from home. On the inverse, millions of Americans struggled with their mental health, overdose deaths skyrocketed, and many Americans missed healthcare appointments and postponed care. Because each state's COVID-related regulations were different, national-level data is difficult to scrutinize. The data should be observed through this lens. If the data need additional qualifiers, we have noted that.

#### POTENCY





**USE DATA** 

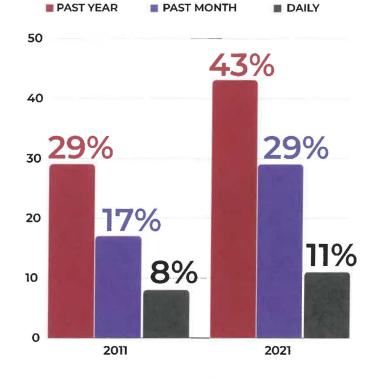
# 52.5

MILLION AMERICANS used marijuana in 2021 vs. 17.5 Million Americans used marijuana in 1992 NSDUH 2021

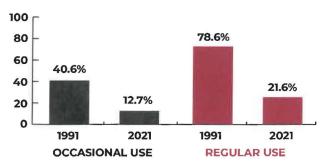
### USE IS INCREASING ACROSS THE BOARD, BUT ESPECIALLY IN YOUNG ADULTS AGED 19-30:

29% reported past-month use in 2021 up from 17% in 2011; 11% reported daily use, up from 8% in 2011

MTF 2021



WHILE THE USE OF
MARIJUANA IS STEADILY
INCREASING, THE
PERCEPTION OF HARM
FROM USING MARIJUANA
IS DECREASING,
ESPECIALLY AMONG HIGH
SCHOOLERS



12TH GRADERS PERCEPTION OF MARIJUANA'S HARM MONITORING THE FUTURE, 2022B







National Institute on Drug Abuse, 2019a

## USE BEFORE THE AGE OF 18 INCREASES THE LIKELIHOOD OF MARIJUANA USE DISORDER BY SEVEN FOLD

National Institute on Drug Abuse, 2019a

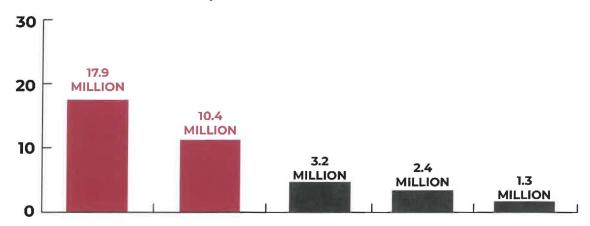


LEGALIZATION IS
ASSOCIATED WITH
A 25% INCREASE IN
MARIJUANA USE
DISORDER AMONG
12–17-YEAR-OLDS

CERDÁ ET AL., 2020



## VAPING MARIJUANA IS ALSO UP ACROSS THE BOARD, ESPECIALLY FOR YOUTH



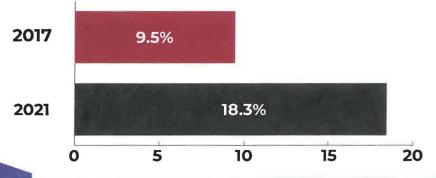
IN 2020, 34.5 MILLION INDIVIDUALS 12 OR OLDER REPORTED VAPING NICOTINE IN THEIR LIFETIME; 17.9 MILLION OF THOSE WERE WITHIN THE PAST YEAR, AND 10.4 MILLION WERE WITHIN THE PAST MONTH. AMONG THOSE AGED 12–17, 3.2 MILLION REPORTED HAVING USED A NICOTINE VAPE BEFORE; 2.4 MILLION OF THOSE VAPED NICOTINE IN THE PAST YEAR, AND 1.3 MILLION DID SO IN THE PAST MONTH (WHICH IS NOTABLY HIGHER THAN ALL OTHER FORMS OF CONSUMING NICOTINE)

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, 2020A

Between 2017 and 2019, dabbing at least once increased by 47.8%, and dabbing usually increased by 178.6%. Vaping at least once increased by 70.0%, and vaping usually increased by 185.7%

COLORADO DEPARTMENT OF PUBLIC HEALTH & ENVIRONMENT, 2021



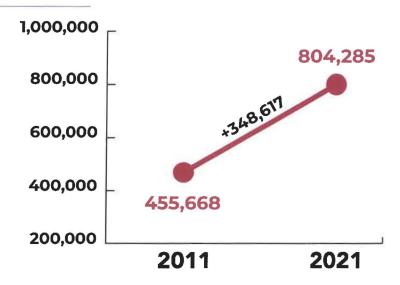


BETWEEN 2017 AND 2021, THE PERCENTAGE OF 12TH GRADERS WHO VAPED MARIJUANA IN THE PAST YEAR INCREASED FROM 9.5% TO 18.3%

MONITORING THE FUTURE, 2022A

#### **PUBLIC HEALTH**





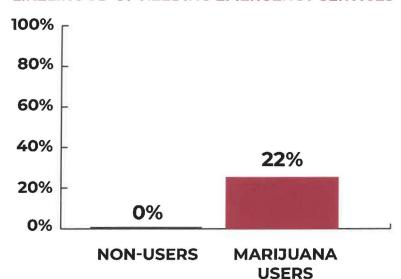
#### IN THE UNITED STATES, THERE WERE 804,285 MARIJUANA RELATED EMERGENCY DEPARTMENT VISITS HAVE INCREASED SINCE 2011

2011 & 2021 DRUG ABUSE WARNING NETWORK

> MARIJUANA USERS WERE NEARLY 25% MORE LIKELY THAN NON-USERS TO GO TO THE ER OR BE HOSPITALIZED

> > VOZORIS ET AL., 2022

#### LIKELIHOOD OF NEEDING EMERGENCY SERVICES



EMERGENCY DEPARTMENT VISITS AND ADMISSIONS RELATED TO MARIJUANA ABUSE IN CALIFORNIA IS UP 89% FOLLOWING LEGALIZATION

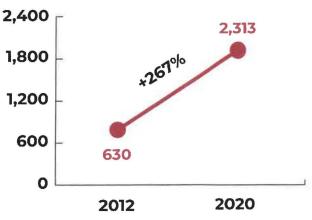
CALIFORNIA OFFICE OF STATEWIDE HEALTH PLANNING ANDV DEVELOPMENT, 2019

MARIJUANA-RELATED HOSPITALIZATIONS IN COLORADO PER 100,000 SINCE LEGALIZATION HAVE INCREASED 148%



"Colorado has reported a 46% increase in hospitalizations due to Cannabis Hyperemesis cyclical vomiting in just five years after the legalization of recreational cannabis"

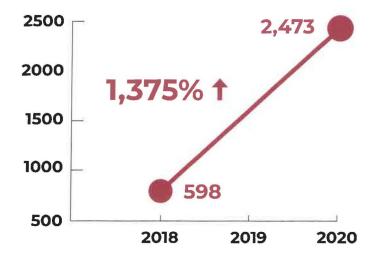
G. S. WANG ET AL., 2021



MARIJUANA-INDUCED ER ADMISSIONS IN ARIZONA

ARIZONA DEPARTMENT OF HEALTH SERVICES

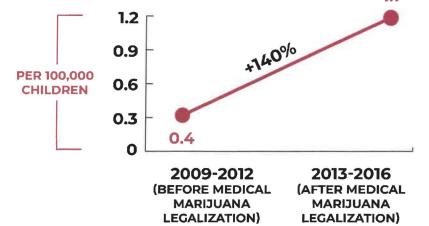




NATIONALLY, THERE WERE 2,473 IN-HOME THC EXPOSURES INVOLVING CHILDREN YOUNGER THAN 12 IN 2020, UP FROM 598 IN 2018

RUSSO, 2021

## INCIDENCE OF CANNABIS CALLS TO POISON CONTROL IN MASSACHUSETTS 1.1



586% Colorado

FROM 2012 TO 2019, THERE WAS A
586% INCREASE IN CALLS TO POISON
CONTROL IN COLORADO FOR
MARIJUANA-RELATED INCIDENCES IN
CHILDREN BETWEEN 0-5

COLORADO DEPARTMENT OF PUBLIC SAFETY, 2021

INCREASES IN LEGAL STATES
FOR MARIJUANA-RELATED
POISON CONTROL CALLS:



72% Illinois

EMERSON, 2022

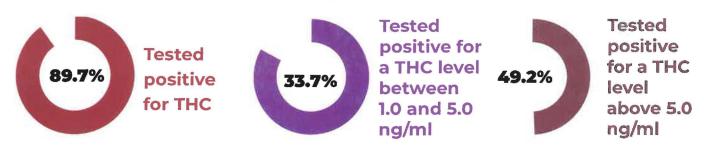




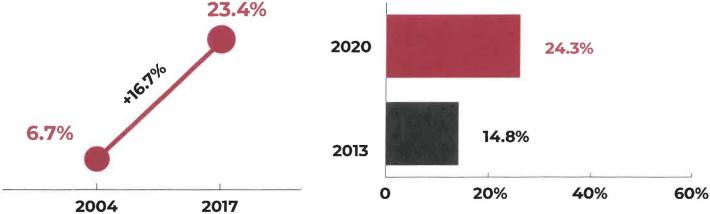
If marijuana were legalized nationwide, the U.S. would suffer an additional 6,800 excess fatal crashes every year

KAMER ET AL., 2020

## Among Colorado drivers who underwent confirmatory testing for Delta-9 THC between 2016 and 2019







IN MICHIGAN AMONG THOSE FATAL
CRASHES WHERE CANNABIS WAS TESTED,
THE PROPORTION OF TESTS THAT WERE
POSITIVE FOR CANNABINOIDS MORE
THAN TRIPLED OVER 13 YEARS (6.7% IN
2004 TO 23.4% IN 2017).

IN 2020, 24.3% OF DRIVERS INVOLVED IN TRAFFIC FATALITIES TESTED POSITIVE FOR MARIJUANA, UP FROM 14.8% IN 2013

ROCKY MOUNTAIN HIGH INTENSITY DRUG TRAFFICKING AREA, 2021

UNIVERSITY OF MICHIGAN INJURY PREVENTION CENTER, 2022, P. 12

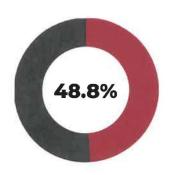




**ANAULISAM AVJOVNI** 

COLORADO DIVISION OF CRIMINAL JUSTICE, 2020.



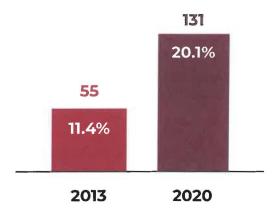


## OF TEEN DRIVERS WHO USE MARIJUANA REPORT DRIVING **UNDER THE INFLUENCE**

LI ET AL., 2020

IN COLORADO. THERE WERE 131 MARIJUANA-RELATED TRAFFIC FATALITIES IN 2020, UP FROM 55 IN 2013—THE PERCENTAGE OF FATAL CRASHES THAT INVOLVED MARIJUANA NEARLY DOUBLED OVER THAT TIME PERIOD, INCREASING FROM 11.4% TO 20.1%





OF PAST 3-MONTH USERS IN VIRGINIA REPORTED DRIVING 60% OF PAST 3-MONTH OSERS IN THE LAST FEW MONTHS

**26**%

REPORTED DRIVING UNDER THE INFLUENCE OF MARIJUANA AT LEAST ONCE A WEEK

STRATACOMM, 2022



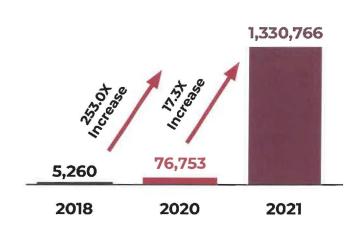
#### ILLICIT MARKET

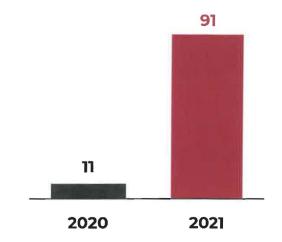


## 70-80%

of marijuana sold in state-legal dispensaries in California was produced and grown illegally

NBC NEWS, 2022





THE OREGON-IDAHO HIDTA SEIZED
1,330,766 ILLICIT MARIJUANA PLANTS IN
2021. THAT'S COMPARED TO 76,753
IN 2020 (17.3X INCREASE) AND 5,260 IN
2018 (253.0X INCREASE)

OREGON-IDAHO HIGH INTENSITY DRUG TRAFFICKING AREA, 2022B, P. 17

THE NUMBER OF CLANDESTINE
LABORATORIES SEIZED IN THE HIDTA
REGION INCREASED FROM 11 IN 2020
TO 91 IN 2021, WITH THE MAJORITY (90)
RELATED TO CANNABIS EXTRACTION
FOR THE PURPOSE OF PRODUCING
"BHO/HONEY OIL"

OREGON-IDAHO HIGH INTENSITY DRUG TRAFFICKING AREA, 2022A, P. 11

85-90% of California-produced marijuana is exported

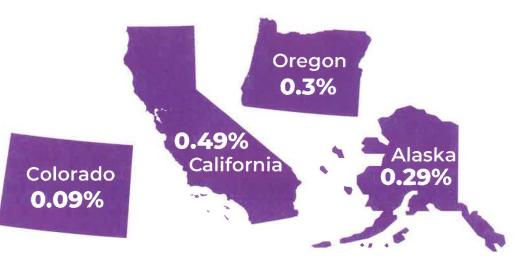
**FULLER, 2019** 





#### **TAX REVENUE**

MARIJUANA TAXES AS **A PERCENT OF FY21-22 STATE BUDGETS:** 



#### **ENVIRONMENTAL IMPACT**



**OUTDOOR MARIJUANA GROW SITES CONSUME AN ESTIMATED 29.4 MILLION GALLONS OF WATER PER** YEAR IN CALIFORNIA

GRETA WENGART, INTEGRAL ECOLOGY RESEARCH CENTER CA 29.4 MILLION **GALLONS MARIJUANA** 



INDOOR MARIJUANA **GROWS EMIT AS MUCH CO2 AS 3.3 MILLION CARS** 

LARKIN & SWEENEY, 2022



MARIJUANA PRODUCTION IS **NEARLY FOUR TIMES MORE ENERGY INTENSIVE THAN COAL OR OIL PRODUCTION** 

MILLS, 2012

#### LOCALITIES ARE OPTING OUT



**CALIFORNIA** NIEVES, 2021

**COLORADO** 

71%

FUEGO, 2019

60%

**NEW YORK** 

**ROCKEFELLER INSTITUTE** OF GOVERNMENT, 2022

71%

**NEW JERSEY** 

MJBIZDAILY, 2021

A MAJORITY OF LOCALITIES IN "LEGAL" STATES HAVE OPTED **OUT OF MARIJUANA SALES** 



after commercialization, due to normalization as a result of the oversaturation of stores, advertisements, and rapidly rising adult use of the drug.

The commercialization of marijuana has also adversely impacted schools and youth academic performance. According to Joe Zawodny, director of secondary education for the Anchorage School District, "Because it's legal in the community, I think, the stigma around marijuana use is decreasing. The data would seem to say there is increasing use" (Wohlforth, 2018). In Washington state, high schoolers reporting marijuana use also reported lower grades (more C's, D's, and F's) than those of their peers who did not smoke marijuana (Washington State Healthy Youth Survey, 2021).

In Alaska, the number of youths referred for marijuana-related crimes jumped to a high of 302 (Alaska Department of Health and Social Services, 2020). A study also found about 22% of students in grades 9–12 reported that illegal drugs were "offered, sold, or given to them on school property during the previous 12 months" (National Center for Education Statistics, 2021).

Marijuana use among youth in "legal" states also coincides with marijuana misuse and substance use disorder.

A 2019 study (Cerdá et al., 2020) found that recreational marijuana legalization was followed by a 25% increase in adolescent marijuana use disorder.

This trend speaks to the prevalence of highpotency marijuana products. A 2021 Washington state survey revealed that 33% of 12th graders, 36% of 10th graders, and 37% of 8th graders who used marijuana reported that they dabbed it. These numbers are up significantly from 2018 when 13% of 8th and 10th graders and 19% of 12th graders reported dabbing marijuana (Washington State Healthy Youth Survey, 2021). Dabbing involves heating marijuana concentrate, often of unspecified potency that can reach up to 99% THC, and inhaling the vapor. One study on dabbing found that the process may deliver significant amounts of additional toxins, such as methacrolein and benzene (Meehan-Atrash et al., 2017). A 2020 study found that adolescents who dabbed were six times more likely to continue using concentrated forms of marijuana later in life (Medzerian, 2020).

There are intense ramifications to marijuana use by youth. Developing brains are especially susceptible to the negative effects of marijuana use, and young users have demonstrated changes in grey matter volume, indicating negative consequences for brain development (Orr et al., 2019). Young users are also at a greater risk for mental health problems, dependence on marijuana, and future substance misuse (Coffey & Patton, 2016). Chronic adolescent marijuana use has been correlated with cognitive impairment and worsened academic or work performance (Arria et al., 2015; Meier et al., 2015; Salmore & Finn, 2016; Schuster et al., 2018; Silins et al., 2014). Meier et al. found that "the most persistent adolescent-onset cannabis users evidenced an average 8-point IQ decline from childhood to adulthood" (Meier et al., 2012).

A 2022 study found that adolescent users of marijuana lost an average of 5.5 IQ points in adulthood, compared to an average loss of 0.7 points among lifelong non-users (Hill & Hsu, 2022).

Youth marijuana use poses a significant risk for depression and suicide (Gobbi et al., 2019; Silins et al., 2014). In Colorado, where teen suicides have become the cause of one in five adolescent deaths (Daley, 2019), youth suicide toxicology reports have demonstrated this devastating effect. In 2013, marijuana was present in 10.6% of suicide toxicology reports for young people aged 15 to 19 years; in 2017, marijuana was present in over 30% (Colorado Department of Public Health

LATE \*Testimony submitted late may not be considered by the Committee for decision making purposes.



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
530 SOUTH KING STREET, ROOM 202
HONOLULU, HAWAII 96813-3065
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#### **AUGIE TULBA**

Councilmember District 9
Waipahū, Iroquois Point, West Loch, 'Ewa Villages and portions of 'Ewa Beach
Talantana (200) 750 500

Telephone: (808) 768-5009 Email: <u>atulba@honolulu.gov</u>

TO: Representative David A. Tarnas, Chair

Representative Gregg Takayama , Vice Chair

House Committee on Judiciary & Hawaiian Affairs

Representative Cedric Asuega Gates, Chair Representative Kirstin Kahaloa, Vice Chair

House Committee on Agriculture & Food Systems

FROM: Augie Tulba

Honolulu City Councilmember, District 9

DATE: March 12, 2024

SUBJECT: OPPOSITION SB 3335, PROPOSED SD2, RELATING TO CANNABIS

Aloha! I am writing to express my opposition to SB 3335, Proposed SD2, Relating to Cannabis. This bill would allow for the regulated use of recreational marijuana and expand our current state law beyond the medical use of cannabis.

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

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

- Marijuana related hospitalizations in Colorado have increased 101% since legalization.
- Calls to poison control for marijuana exposures more than doubled after legalization.
- Increase in Colorado traffic fatalities where the driver tested positive for marijuana.
- 14.8% increase in youth under the age of 15 using marijuana over the past 2 year.
- Marijuana vaping and dabbing is up 40+% among youth.
- 400% increase in marijuana poisonings of children 0-9 years of age.
- 23,009 homes with children are not storing marijuana products safely.
- 32,800 homes where children 1-14 years of age are exposed to second-hand marijuana smoke.



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

My main reason for opposing this measure comes from my own personal experience of having many family members who have struggled with drug addiction, drug dependency disorders, and drug overdose. Marijuana has long been a "gateway drug" that generally leads to the use of more dangerous substances.

Over the years, I have seen the lives of my loved ones become ruined by drug related activity, which all started with usage of marijuana. Passing this measure would increase the likelihood of people within the State of Hawaii using marijuana, and in turn lead to increased use of more dangerous substances.

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

Please defer this measure at this time.

Thank you for the opportunity to testify!



## REVISED TESTIMONY (SUBMITTED 3/11/24)

Hawaii Cannabis Industry Association
Testimony
IN SUPPORT
SB3335, SD2, Relating to Cannabis
Hawaii State House of Representatives
Judiciary and Hawaiian Affairs Committee and Agriculture Committee

Aloha Chairs Tarnas and Gates,

Mahalo for the opportunity to testify in SUPPORT of SB3335, SD2, Relating to Cannabis.

The Hawaii Cannabis Industry Association (HICIA) supports SB3335, SD2 as it would establish a strong regulatory model for the sale of cannabis to discourage current illegal market activity and safeguard the public while also generating substantial tax revenue for the State at a time when it is needed most.

In addition, the measure would consolidate various entities within Hawaii's cannabis industry including our members, the medical cannabis dispensary licensees, under a single regulatory umbrella. Under this regulatory model, greater efficiencies in government oversight can be achieved and redundancy can be avoided.

#### **KEY FACTS ABOUT SB3335, SD2**

#### 1) Substantial Tax Revenue Potential

HICIA has conducted a fiscal analysis of the measure and Hawaii's potential adult cannabis market under this bill.

We expect during the **first year of sales**, this measure would generate approximately **\$39.2** *million in new tax revenue* to the State through Income Taxes, and the new 14% Cannabis Excise Tax. NOTE: This tax revenue projection was revised to reflect the rate change of the Cannabis Tax from 10% to 14%.

**Upon full market maturity** when additional new retail, cultivation and production licenses are issued, we expect *\$109.7 million annually in new State tax revenue* would be generated (14%

Cannabis Tax + GET + Corporate/Income Tax). NOTE: This tax revenue projection was revised to reflect the rate change of the Cannabis Tax from 10% to 14%.

#### 2) Avoids Up-Front Appropriations (Transfer of Office of Medical Cannabis Control and Regulation)

SB3335, SD2 transfers staff, resources, and funding of the OMCCR to the new cannabis Authority. This approach enables cannabis sales to begin utilizing existing State resources and avoids the need for up-front appropriations. Additional programs such as social equity and new law enforcement resources can then be funded through the expected \$39.2 million of new State tax revenue within the first year.

#### Breakdown of existing OMCCR resources and funding:

- a. 17 full-time employees
- b. \$3-4M annual operating budget appropriation
- c. \$2M in annual revenue from licensing fees and patient registration fees (special funds)
- d. \$2.5M in annual GET revenue from medical cannabis sales

HICIA also notes that last year, OMCCR increased the cost of licensing fees for existing medical cannabis dispensaries by roughly 300% in anticipation of having to regulate legal adult-use sales. This is a clear affirmation of the potential to launch initial sales while generating tax revenue to fund expanded programs in the near future.

In addition, new licensing fees that are required prior to adult-use cannabis sales can generate additional funds to support program implementation. Conversion fees from the 8 Medical Cannabis Dispensaries alone would result in up to \$2.5M in revenue. Together with OMCCR resources, the state could easily launch an adult-use cannabis program utilizing \$10-11M in existing resources.

#### **CONCLUSION**

SB3335 SD 2 is one of the few measures proposed this session with the potential to generate new revenue for the state without imposing additional tax burdens on residents and existing businesses. In addition, the measure would finally establish regulatory oversight and greater public safety for the sale and use of cannabis.

We strongly urge the committees to pass this measure to effectively regulate the cannabis industry, enforce against the illegal market, safeguard the public, and generate much needed new tax revenue.

Mahalo,

TY Cheng

Chairman, Hawaii Cannabis Industry Association



Submitted Online: Thursday, March 11, 2024

**TO**: House Committee on Judiciary & Hawaiian Affairs

Representative David Tarnas, Chair

Representative Gregg Takayama, Vice-Chair

House Committee on Agriculture & Food Systems

Representative Cedric Auega Gates, Chair Representative Kirstin Kahaloa, Vice-Chair

**FROM**: Eva Andrade, President & CEO

**RE**: Opposition to SB3335 SD 2 Relating to Cannabis

Hawaii Family Forum is a non-profit, pro-family education organization committed to preserving and strengthening families in Hawaii. As such, we have serious concerns about this bill and its ultimate ramifications on the wider community — especially concerning our keiki. Although we leave the discussion as to the regulatory functions and applicability of its passage to the experts, establishing legal recreational marijuana is a serious and dangerous policy change for our community. In fact, the 412 signatories attached to this testimony are submitted for reference.

Marijuana use will increase, not decrease with legalization. According to Jonathan P. Caulkins, "The Real Dangers of Marijuana," (2019) "[o]ne could speculate that legalization might make marijuana abuse and dependence less common, because generally healthy people will start to use occasionally, and that influx could dilute the proportion who abuse or are dependent. But one could just as easily speculate that legalization will bring more marketing, more potent products (like "dabs"), or products that are more pleasant to use (like "vaping" pens), any of which could increase the risk that experimenting could progress to problematic use. This is all speculation, of course. But what can be said empirically is that, within the context of aggregate use in the United States at this time, the best available data suggest that marijuana creates abuse and dependence at higher rates than alcohol."

Let's fix the vaping problem in Hawaii before we create a situation that may very well be exacerbated by legalized commercial marijuana. Despite the legislature's diligent efforts to address the vaping epidemic, significant challenges remain. The high rates of youth in Hawai'i engaging with illegal substances, despite stricter regulations, raise critical concerns. It prompts us to question the effectiveness of these measures and whether marijuana will also attract their attention and usage. Marijuana concentrates are already being used in vaping devices and even the DEA has recognized that the marijuana used in vaping contains a higher concentration. Because marijuana is a performance-degrading drug, school-aged keiki who access it will most certainly be put at a disadvantage.

The bill will legalize edible marijuana products and that will detrimentally affect our keiki. The use of edible products is another way that our youth could access marijuana and that will be a huge unintended consequence regardless of packaging requirements. According to Smart Approaches to Marijuana<sup>iii</sup>, youth drug use has risen in every state that has legalized recreational marijuana.<sup>iv</sup> The American Academy of Pediatrics has reported that "[t]here has been a consistent increase in pediatric edible cannabis exposures over the past 5 years, with the potential for significant toxicity.<sup>v</sup>"



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Legalization and the perceived societal acceptance are detrimental to the overall safety and well-being of our keiki. The legalization of commercial marijuana will significantly influence our keiki's perception of its consumption. Family dynamics play a crucial role, acting as both safeguards and potential risks in the context of adolescent substance use. There are numerous accounts of young people accessing illegal substances through adults within their familial circles. Often, these adults facilitate easy access to marijuana ostensibly acquired for "medicinal" purposes. The shift towards legalizing recreational marijuana is likely to exacerbate this issue, further complicating the landscape of substance access and use among adolescents. By legalizing recreational marijuana, we are implicitly communicating to our youth that its use is not associated with significant risks. This action may convey a perception of safety and acceptability regarding its consumption, potentially influencing young people's attitudes towards its dangers.

Marijuana may impair judgment, motor function, and reaction time. Studies have found a direct relationship between blood THC concentration and impaired driving abilities. According to the Conference of National State Legislatures, "[t]esting for drug impairment is problematic due to the limitations of drug-detecting technology and the lack of an agreed-upon limit to determine impairment. The nationally recognized level of impairment for drunken driving is .08 g/mL blood alcohol concentration. But there is no similar national standard for drugged driving." vi

The bottom line is that by legalizing the recreational use of marijuana, we believe it will affect adolescents' use by increasing its availability through social connections, by creating a message within social norms that show marijuana use as a normal thing, and by reinforcing beliefs that marijuana use is not harmful. If marijuana possession and use is no longer a punishable offense it will be more readily available, as users of marijuana will no longer be deterred by fear of punishment. Surely Hawai'i deserves better than that!

Mahalo for the opportunity to submit testimony in opposition.

<sup>&</sup>lt;sup>i</sup> Caulkins, J. P. (n.d.). *The Real Dangers of Marijuana*. National Affairs. Retrieved February 10, 2023, from <a href="https://www.nationalaffairs.com/publications/detail/the-real-dangers-of-marijuana">https://www.nationalaffairs.com/publications/detail/the-real-dangers-of-marijuana</a>

ii (2019, May 8). Vaping and Marijuana Concentrates. DEA.gov. Retrieved February 10, 2023, from https://www.dea.gov/sites/default/files/2019-10/VapingMarijuana Brochure 2019 508.pdf

iii Smart Approaches to Marijuana (n.d.). 2020 Impact Report. Learnaboutsam.org. Retrieved February 13, 2023, from <a href="https://learnaboutsam.org/wp-content/uploads/2020/12/2020-Impact-Report1.pdf">https://learnaboutsam.org/wp-content/uploads/2020/12/2020-Impact-Report1.pdf</a>

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

 $<sup>\</sup>frac{v}{https://publications.aap.org/pediatrics/article/151/2/e2022057761/190427/Pediatric-Edible-Cannabis-Exposures-and-Acute?autologincheck=redirected} [accessed 02/04/24]$ 

vi National Conference of State Legislators (2022, November 11). *Drugged Driving | Marijuana-Impaired Driving*. NCSL. Retrieved February 10, 2023, from <a href="https://www.ncsl.org/transportation/drugged-driving-marijuana-impaired-driving">https://www.ncsl.org/transportation/drugged-driving-marijuana-impaired-driving</a>

## No to Recreational Marijuana Signers

#### Sign the petition against legalized recreational marijuana

We, the undersigned, ask for your consideration of NOT LEGALIZING THE RECREATIONAL USE OF MARIJUANA in the State of Hawaii.

Thank you for your time and consideration of this matter.

Total Signatures: 421

Name	City	State	Zip	Signed
Bennadette Duman	Makawao	HI	96768	03-11-2024 01:20 pm CT
Jennifer Luke	Mililani	HI	96789	03-11-2024 11:38 am CT
sue manzon	Kailua Kona	HI	96745	03-11-2024 10:07 am CT
Lee Stein	Waipahu	HI	96797	03-11-2024 09:47 am CT
Jodi Stein	Waipahu	HI	96797	03-11-2024 09:45 am CT
Martin Arinaga	Waipahu	HI	96797	03-11-2024 04:33 am CT
Scott Schultz	Kaneohe	HI	96744	03-11-2024 04:08 am CT
Darryl Keane	Kaneohe	HI	96744	03-10-2024 11:46 pm CT
Alan Kaneko	Kaneohe	HI	96744	03-10-2024 10:49 pm CT
Amy Caminos	Honolulu	HI	96817	03-10-2024 08:08 pm CT
Robin Nagasako	Waianae	HI	96792	03-10-2024 04:04 am CT
Stephen Ziadie	Kapolei	HI	96707	03-10-2024 03:26 am CT
Joel Narusawa	Honolulu	HI	96814	03-10-2024 01:53 am CT
Miriam Hokoana	Waianae	HI	96792	03-10-2024 12:28 am CT
Lois Waterhouse	Makawao	HI	96768	03-09-2024 10:28 pm CT
Rachel Robinson	Lahaina	HI	96761	03-09-2024 06:09 pm CT
Patti Yasuhara	Honolulu	HI	96825	03-09-2024 05:34 pm CT
Steven West	Kapolei	HI	96707	03-09-2024 05:19 pm CT
William L. Rodrigues Jr.	Waimanalo	HI	96795	03-09-2024 04:14 pm CT
Grace Knapp	Ewa Beach	HI	96706	03-09-2024 04:10 pm CT

HIFF 1 of 16

Lee Anthony Barbero	Kahului	HI	96732	03-09-2024 03:21 pm CT
Edwina Mayeda	Pearl City	Н	96782	03-09-2024 03:06 pm CT
Maridora Asuncion	Kapolei	HI	96707	03-09-2024 01:38 pm CT
Robin Kumabe	Aiea	Н	96701	03-09-2024 01:00 pm CT
Meribeth Kekumu	Honolulu	HI	96826	03-09-2024 12:56 pm CT
Rachel Gochenouer	Honolulu	HI	96817	03-09-2024 12:50 pm CT
Troy Nakamura	Ewa Beach	HI	96706	03-09-2024 12:49 pm CT
James Burdick	Honolulu	HI	96814	03-09-2024 12:09 pm CT
LeRoy Andrews	Hilo	HI	96720	03-09-2024 12:08 pm CT
Lorene Ito	Mililani	HI	96789	03-09-2024 12:01 pm CT
Marion Ceruti	Lahaina	HI	96761	03-09-2024 11:10 am CT
Elizabeth Mossman	Ewa Beach	HI	96706	03-09-2024 09:46 am CT
Jodi Young	Kaneohe	HI	96744	03-09-2024 08:10 am CT
Phyllis Isawa	Pearl City	HI	96782	03-09-2024 02:50 am CT
Ximena Nistler	Honolulu	HI	96813	03-09-2024 01:24 am CT
Teresa Fredericks	Kapolei	HI	96707	03-09-2024 12:12 am CT
Lisa Shorba	Honolulu	HI	96817	03-08-2024 11:45 pm CT
Romeo Ganibe	Mililani	HI	96789	03-08-2024 09:35 pm CT
Mary Mishima	Lahaina	HI	96761	03-08-2024 08:39 pm CT
Linda Susan Madamba	Waianae	HI	96792	03-08-2024 08:05 pm CT
Charles Card	Waipahu	HI	96797	03-08-2024 08:04 pm CT
Clarence DeCaires	Kailua	НІ	96734	03-08-2024 06:34 pm CT
Donna Sing	Honolulu	HI	96816	03-08-2024 06:25 pm CT
Ashley Centeio	Haleiwa	HI	96712	03-07-2024 03:54 pm CT
Francine Takano-Yamabe	Honolulu	HI	96818	03-07-2024 01:46 pm CT
Robert Okimura	Honolulu	HI	96822	03-04-2024 07:19 pm CT
Kellie Harris	Kapolei	HI	96707	03-01-2024 01:33 am CT

HIFF 2 of 16

Mary Smart	Mililani	НІ	96789	02-29-2024 08:22 pm CT
Leslie James Harris	Kapolei	НІ	96707	02-28-2024 09:50 pm CT
Amber Simao	Kapolei	НІ	96707	02-28-2024 09:45 pm CT
Shirley Simao	Kapolei	НІ	96707	02-28-2024 09:42 pm CT
Ben Tamamoto	Waipahu	НІ	96797	02-28-2024 04:26 pm CT
Gail Inayoshi	Honolulu	НІ	96817	02-28-2024 12:26 pm CT
Kathleen Newman	Kaneohe	НІ	96744	02-28-2024 01:47 am CT
Nancy Castro	Kahului	НІ	96732	02-27-2024 11:36 pm CT
Audrey Wong	Kaneohe	НІ	96744	02-27-2024 07:33 pm CT
Jane Noe	Honolulu	НІ	96817	02-27-2024 02:29 pm CT
Aileen Potter	Mililani	НІ	96789	02-27-2024 12:18 pm CT
Myra Nishimoto	Waipahu	НІ	96797	02-27-2024 11:48 am CT
Janice Goodnight	Lahaina	НІ	96761	02-27-2024 11:10 am CT
Lynn Tamashiro Ching	Honolulu	НІ	96819	02-27-2024 10:13 am CT
Traci Sylva	Pearl City	НІ	96782	02-27-2024 10:00 am CT
Lisa Ortiz	Waipahu	НІ	96797	02-27-2024 03:55 am CT
Jo Ann Yanazaki	Honolulu	НІ	96822	02-27-2024 02:45 am CT
Arleen Tanaka	Mililani	НІ	96789	02-27-2024 01:11 am CT
Gloria Rongcal Gage	Wailuku	НІ	96793	02-27-2024 12:34 am CT
Mahina Atenza	Kihei	НІ	96753	02-27-2024 12:08 am CT
Bobby Duffer	Kailua Kona	НІ	96740	02-26-2024 11:56 pm CT
John Luna	Kaneohe	НІ	96744	02-26-2024 11:44 pm CT
Kimberlina Atenza	Kihei	НІ	96753	02-26-2024 11:43 pm CT
Joyce Castillo	Waialua	НІ	96791	02-26-2024 11:35 pm CT
Joe Haiku	Haiku	НІ	96708	02-26-2024 10:46 am CT
Donalee Pang	Honolulu	НІ	96818	02-22-2024 06:11 pm CT
Beatrice Campos	Kapolei	HI	96707	02-22-2024 04:12 am CT

HIFF 3 of 16

Carina Lara	Honolulu	НІ	96817	02-21-2024 12:28 am CT
Cindy Ajimine	Honolulu	НІ	96826	02-20-2024 10:55 pm CT
Jackie Morgan	Naalehu	НІ	96772	02-20-2024 05:36 pm CT
Debra Nobriga	Mililani	НІ	96789	02-20-2024 01:32 am CT
Sandra Shimabukuro	Aiea	НІ	96701	02-18-2024 09:06 pm CT
Angela Wermes	Kailua Kona	НІ	96740	02-18-2024 09:01 pm CT
KURIAKOSE NADOOPARAMBIL	Lahaina	НІ	96761	02-18-2024 09:37 am CT
Annette Dung	Honolulu	НІ	96822	02-18-2024 01:49 am CT
Mollye Kaiser	Aiea	НІ	96701	02-17-2024 11:57 pm CT
Phyllis Barr	Honolulu	НІ	96822	02-17-2024 10:39 pm CT
Xyza Balangue-Nobleza	Mililani	НІ	96789	02-17-2024 06:03 pm CT
Esther Abbey	Honolulu	НІ	96822	02-17-2024 05:24 pm CT
Rhonda Higashihara	Waipahu	НІ	96797	02-17-2024 01:11 pm CT
Paul Trevithick	Kailua Kona	НІ	96740	02-17-2024 12:00 pm CT
GAIL GILDING	KAAAWA	НІ	96730	02-17-2024 07:46 am CT
Suzanne Nakano	Honolulu	НІ	96814	02-17-2024 02:55 am CT
Jaycelyn Akana	Waipahu	НІ	96797	02-17-2024 02:01 am CT
Mary Trevithick	Kailua Kona	НІ	96740	02-17-2024 01:57 am CT
Jose Ruiz	Ewa Beach	НІ	96706	02-17-2024 01:42 am CT
James Marquez	Mililani	НІ	96789	02-17-2024 12:11 am CT
ROMELLA JAVILLO	Waipahu	НІ	96797	02-16-2024 11:56 pm CT
Mylisa Chen	Ewa Beach	HI	96706	02-16-2024 11:10 pm CT
Roscan B. Marquez	Mililani	НІ	96789	02-16-2024 10:55 pm CT
Marion Ceruti	Lahaina	HI	96761	02-16-2024 10:24 pm CT
Dan Powers	Wailuku	НІ	96793	02-16-2024 10:08 pm CT
Walter Agena	Honolulu	НІ	96817	02-16-2024 09:24 pm CT
Alfred Hagen	Kaneohe	HI	96744	02-16-2024 07:23 pm CT

HIFF 4 of 16

Terence Chow	Mililani	HI	96789	02-16-2024 07:00 pm CT
Evelyn Hascall	Kailua	HI	96734	02-16-2024 06:14 pm CT
Sharla Carlson	Kahului	HI	96732	02-16-2024 06:06 pm CT
Jean Wong	Pearl City	HI	96782	02-15-2024 02:41 pm CT
Marion Logan	Honolulu	HI	96819	02-14-2024 06:13 pm CT
Dinah Welch-Carvalho	Hauula	HI	96717	02-14-2024 10:53 am CT
Sarah Perez	Hauula	HI	96717	02-14-2024 10:16 am CT
Andrea Sakamoto	Aiea	HI	96701	02-13-2024 05:12 pm CT
Lisa Baniaga	Mililani	HI	96789	02-13-2024 03:44 pm CT
Lauryn Laguatan	Waipahu	HI	96797	02-13-2024 03:39 pm CT
Arica Lynn	Lahaina	HI	96761	02-13-2024 11:33 am CT
Ken Kondo	Aiea	HI	96701	02-13-2024 09:40 am CT
Lleander Jung	Honolulu	HI	96816	02-13-2024 06:38 am CT
Sharon Takara	Aiea	HI	96701	02-13-2024 04:41 am CT
Stephen Santos	Lahaina	HI	96761	02-13-2024 03:26 am CT
Kimberly Stewart	Lahaina	HI	96761	02-13-2024 12:59 am CT
Marsha Van Wagenen	Aiea	HI	96701	02-13-2024 12:53 am CT
Pamela Vera	Lahaina	HI	96761	02-12-2024 11:54 pm CT
Kimberlee Santos	Lahaina	HI	96761	02-12-2024 11:47 pm CT
William Aldenderfer	Kailua	HI	96734	02-12-2024 11:33 pm CT
Sophia Straton	Honolulu	HI	96822	02-12-2024 11:28 pm CT
Kellee Emmerich	Lahaina	HI	96761	02-12-2024 09:50 pm CT
Marc Talamoa	Ewa Beach	HI	96706	02-12-2024 08:27 pm CT
Diane Omura	Kula	HI	96790	02-12-2024 08:24 pm CT
Lorraine Araujo	Hilo	HI	96720	02-12-2024 08:18 pm CT
janet China	Honolulu	HI	96816	02-12-2024 07:34 pm CT
Yang Aldenderfer	Kailua	HI	96734	02-12-2024 06:45 pm CT

HIFF 5 of 16

Narcissa Seguin	Ewa Beach	HI	96706	02-12-2024 05:59 pm CT
Lehuamakamae Yoza	Waipahu	HI	96797	02-12-2024 05:13 pm CT
Charmaine Ahmed	Ewa Beach	НІ	96706	02-12-2024 05:08 pm CT
Stacy Talamoa	Ewa Beach	HI	96706	02-12-2024 05:01 pm CT
Doll Kealoha	Waianae	HI	96792	02-12-2024 04:23 pm CT
Laura Torres	Papaikou	HI	96781	02-12-2024 04:20 pm CT
Jan Dumaran	Ewa Beach	HI	96706	02-12-2024 04:13 pm CT
Mary Wunsch	Honolulu	HI	96818	02-12-2024 04:12 pm CT
Jenelyn Okumoto	EWA BEACH	HI	96706	02-12-2024 03:27 pm CT
Sydney Suzuki	Honolulu	HI	96819	02-12-2024 02:25 pm CT
David Hokama	Kaneohe	HI	96744	02-12-2024 01:49 pm CT
Leimomi Grimes	Kaneohe	HI	96744	02-12-2024 01:27 pm CT
L. Seno	Ewa Beach	HI	96706	02-12-2024 01:26 pm CT
Verna Uehara	Honolulu	HI	96822	02-12-2024 01:24 pm CT
sandra tompkins	Pearl City	HI	96782	02-12-2024 01:22 pm CT
Yvonne Hurlbut	Kapolei	HI	96707	02-12-2024 01:13 pm CT
Naomi Kumai	Hauula	HI	96717	02-12-2024 01:00 pm CT
Ami Ader	Honolulu	HI	96825	02-12-2024 12:23 pm CT
Norma Slavish	Kailua	HI	96734	02-12-2024 12:23 pm CT
Blossom Chang	Mililani	HI	96789	02-12-2024 12:01 pm CT
Robert Dunning	Colleyville	TX	76034	02-12-2024 11:47 am CT
Rimi Dunning	Colleyville	TX	76034	02-12-2024 11:47 am CT
Chanelle Perez	Hauula	HI	96717	02-12-2024 10:54 am CT
Kepola Welch	Honolulu	HI	96813	02-12-2024 10:49 am CT
Mary Colburn	Kahuku	НІ	96731	02-12-2024 10:46 am CT
Sheryl Rivera	Kailua	HI	96734	02-12-2024 10:31 am CT
Brian Peterson	Kaneohe	НІ	96744	02-12-2024 10:03 am CT

HIFF 6 of 16

Jessica Garcia	Kaneohe	HI	96744	02-12-2024 10:01 am CT
Sharon Fields	Kailua	HI	96734	02-12-2024 10:00 am CT
Rita Blumer	Seiling	OK	73663	02-12-2024 09:08 am CT
Joyce Kaneshiro	Honolulu	HI	96817	02-12-2024 08:33 am CT
Rossalyn Welch	Kailua	HI	96734	02-12-2024 06:53 am CT
Alan Ogata	Waipahu	HI	96797	02-12-2024 05:24 am CT
Carol Ann K. Nishihara	Honolulu	HI	96818	02-12-2024 04:48 am CT
Jodi Ige	Kaneohe	HI	96744	02-12-2024 03:43 am CT
Marisol Pena	Honolulu	HI	96818	02-12-2024 03:33 am CT
Nancy Chinen	Pearl City	HI	96782	02-12-2024 02:29 am CT
Luke Welch	Kailua	HI	96734	02-12-2024 02:17 am CT
Joseph Stevens III	Kaneohe	HI	96744	02-12-2024 01:02 am CT
Joy Kaneshiro	Honolulu	HI	96818	02-12-2024 12:22 am CT
Norman Okasako	Mililani	HI	96789	02-12-2024 12:08 am CT
Lorrraine Nip	Honolulu	HI	96825	02-11-2024 11:36 pm CT
Mark Kamahele	Waianae	HI	96792	02-11-2024 11:35 pm CT
Sandra Suan	Waipahu	HI	96797	02-11-2024 11:14 pm CT
Leonard Suan	Waipahu	HI	96797	02-11-2024 11:13 pm CT
Edgar Brillantes	Honolulu	HI	96819	02-11-2024 10:17 pm CT
June Nishihara	Kahului	HI	96732	02-11-2024 09:56 pm CT
Keith Kenyon	Kapolei	HI	96707	02-11-2024 09:02 pm CT
Laraine Kawakami	Kaneohe	HI	96744	02-11-2024 08:53 pm CT
Luke Nakatsukasa	Koloa	HI	96756	02-11-2024 08:02 pm CT
Deborah Lewis	Waianae	HI	96792	02-11-2024 07:47 pm CT
Raymond Mokiao	Hauula	HI	96717	02-11-2024 07:45 pm CT
Leonard Mahoe	Eleele	HI	96705	02-11-2024 07:38 pm CT
Dan Miyamoto	Lihue	HI	96766	02-11-2024 07:33 pm CT

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Lew Tomimatsu	Honolulu	HI	96818	02-11-2024 06:10 pm CT
Cathy Aruda	Haiku	HI	96708	02-11-2024 05:36 pm CT
Kevin Nishihara	Kahului	HI	96732	02-11-2024 04:47 pm CT
CHRIS TANIGAWA	Honolulu	HI	96816	02-11-2024 04:43 pm CT
Carisa Suan	Waipahu	HI	96797	02-11-2024 04:31 pm CT
Lonia Kaiko	Honolulu	HI	96813	02-11-2024 03:56 pm CT
Gemey Ogata	Waipahu	HI	96797	02-11-2024 03:07 pm CT
Noel Miner	Honolulu	HI	96817	02-11-2024 03:00 pm CT
Marites Keliikoa	Honolulu	HI	96814	02-11-2024 02:55 pm CT
Timothy Kaleiopu	Honolulu	HI	96814	02-11-2024 02:28 pm CT
Joanna Mabalot	Kapolei	HI	96707	02-11-2024 02:27 pm CT
Bill Alvin	Waipahu	HI	96797	02-11-2024 02:18 pm CT
Cecily Lam	Honolulu	HI	96816	02-11-2024 02:10 pm CT
Van Balera	Kapolei	HI	96707	02-11-2024 02:07 pm CT
Mona Madeira	Waianae	HI	96792	02-11-2024 02:05 pm CT
Blyth Iwasaki	Waipahu	HI	96797	02-11-2024 02:04 pm CT
Karlyn Miyashiro	Pearl City	HI	96782	02-11-2024 01:59 pm CT
Doris Bangay	Kaneohe	HI	96744	02-11-2024 01:58 pm CT
Kehley Yamada	Mililani	HI	96789	02-11-2024 01:32 pm CT
Corinne Yogi	Mililani	HI	96789	02-11-2024 01:30 pm CT
Gail Tomosawa	Mililani	HI	96789	02-11-2024 01:30 pm CT
Micah Yamada	Mililani	HI	96789	02-11-2024 01:30 pm CT
Gerald Tomosawa	Mililani	HI	96789	02-11-2024 01:29 pm CT
Pegeen Echavaria	Mililani	HI	96789	02-11-2024 01:28 pm CT
Kyle Shimabukuro	Waipahu	HI	96797	02-11-2024 01:28 pm CT
Sommer Tyau	Mililani	HI	96789	02-11-2024 01:28 pm CT
Nathan Tyau	Mililani	HI	96789	02-11-2024 01:28 pm CT

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Walter Rickard	Kailua	HI	96734	02-11-2024 12:58 pm CT
Leane Kaneko	Kaneohe	НІ	96744	02-11-2024 12:24 pm CT
Diane Takushi	Pearl City	HI	96782	02-11-2024 01:33 am CT
George Benito	Waipahu	НІ	96797	02-11-2024 01:24 am CT
Theresa Benito	Waipahu	НІ	96797	02-11-2024 01:22 am CT
Priscilla Wong	Honolulu	НІ	96814	02-11-2024 01:09 am CT
Cindy Oshita	Aiea	HI	96701	02-10-2024 10:09 pm CT
Mandy Chang	Kapolei	НІ	96707	02-10-2024 09:12 pm CT
Margaret Mejia	Ewa Beach	НІ	96706	02-10-2024 08:30 pm CT
Susan Mossman	Mililani	НІ	96789	02-10-2024 07:30 pm CT
Steven Gladman	Wahiawa	HI	96786	02-10-2024 07:22 pm CT
LIZETH CORATIBO	Wailuku	НІ	96793	02-10-2024 04:13 pm CT
June Kaneshiro	Makawao	НІ	96768	02-10-2024 03:43 pm CT
Ruby Higa	Waipahu	НІ	96797	02-10-2024 03:35 pm CT
Patricia Nitta	Honolulu	НІ	96818	02-10-2024 03:29 pm CT
Hugh Yonamine	Honolulu	НІ	96816	02-10-2024 03:06 pm CT
Barara Zachary	Honolulu	НІ	96822	02-10-2024 02:27 pm CT
Linda Sato	Pearl City	HI	96782	02-10-2024 01:04 pm CT
Darrell Chilson	Rio Linda	CA	95673	02-10-2024 12:42 pm CT
Micheal Thomforde	Honolulu	НІ	96819	02-10-2024 12:16 pm CT
Marguerite Robinson	Honolulu	НІ	96826	02-10-2024 12:15 pm CT
Paige Uyehara	Ewa Beach	HI	96706	02-10-2024 11:43 am CT
Rene Thomforde	Honolulu	HI	96819	02-10-2024 11:36 am CT
Caitlin Oshiro	Honolulu	НІ	96819	02-10-2024 09:52 am CT
Evelyn Fukuki	Honolulu	HI	96822	02-10-2024 09:50 am CT
Clarice Otsuka	Honolulu	HI	96822	02-10-2024 03:44 am CT
	Honolulu	HI	96817	

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Suzanne George	Makawao	HI	96768	02-10-2024 02:21 am CT
MASAFUMI SATO	Honolulu	HI	96822	02-10-2024 02:21 am CT
SHARON MOKIAO	Hauula	HI	96717	02-10-2024 01:41 am CT
Anthony Garingan	Honolulu	HI	96817	02-10-2024 01:24 am CT
Genette Perreira	Pearl City	HI	96782	02-10-2024 01:14 am CT
David Tamaoka	Waipahu	HI	96797	02-10-2024 12:02 am CT
Kimi Valdez	Pearl City	HI	96782	02-09-2024 11:56 pm CT
Gary Okino	Aiea	HI	96701	02-09-2024 10:52 pm CT
David Kamisugi	Wahiawa	HI	96786	02-09-2024 10:50 pm CT
Corinne Fujieda	Wahiawa	HI	96786	02-09-2024 10:47 pm CT
Cheryl Rzonca	Honolulu	HI	96819	02-09-2024 10:18 pm CT
Shawn Wallen	Kula	HI	96790	02-09-2024 10:13 pm CT
Jane Cordray	Waipahu	HI	96797	02-09-2024 10:06 pm CT
Laurine Hahn	Honolulu	HI	96825	02-09-2024 10:02 pm CT
Rokeuaine Letua	Waianae	HI	96792	02-09-2024 09:56 pm CT
Candace Lewellen	Honolulu	HI	96819	02-09-2024 09:32 pm CT
Paul Kaneshiro	Makawao	HI	96768	02-09-2024 09:08 pm CT
Eunice Paglinawan	Mililani	HI	96789	02-09-2024 08:43 pm CT
Ginny Hori	WAIMEA	HI	96796	02-09-2024 08:35 pm CT
Daryl Smith	Kailua	HI	96734	02-09-2024 08:30 pm CT
Lyn Hew	Honolulu	HI	96822	02-09-2024 08:28 pm CT
Lucia Aguirre	Honolulu	HI	96822	02-09-2024 08:25 pm CT
Kristen Kirnbauer	Mililani	HI	96789	02-09-2024 08:24 pm CT
Mercy Kinel	Honolulu	HI	96822	02-09-2024 08:22 pm CT
JoEllyn Lovett	Honolulu	HI	96814	02-09-2024 08:21 pm CT
Pat Perez	Mililani	HI	96789	02-09-2024 08:18 pm CT
Christi-Ann Kon	Pearl City	HI	96782	02-09-2024 08:15 pm CT

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Angela Kansou	Pearl City	HI	96782	02-09-2024 08:13 pm CT
Carol White	Honolulu	HI	96822	02-09-2024 08:07 pm CT
John Small	Караа	HI	96746	02-09-2024 07:57 pm CT
Beverly Jim On	Honolulu	HI	96822	02-09-2024 07:56 pm CT
Cynthia Frickelton	Honolulu	HI	96825	02-09-2024 07:53 pm CT
ALICE ROGERS	Mililani	HI	96789	02-09-2024 07:45 pm CT
Cynthia Dorflinger	Honolulu	HI	96822	02-09-2024 07:44 pm CT
Timothy Newman	Kaneohe	HI	96744	02-09-2024 07:41 pm CT
Stanley Cadinha	Kailua	HI	96734	02-09-2024 07:40 pm CT
Ronald Gouveia	Kaneohe	HI	96744	02-09-2024 07:34 pm CT
Linda Peters	Honolulu	HI	96826	02-09-2024 07:00 pm CT
Heide San Nicolas	Kaneohe	HI	96744	02-09-2024 06:53 pm CT
Robert Kishi	Kailua	HI	96734	02-09-2024 06:53 pm CT
Patrick Rorie	Aiea	HI	96701	02-09-2024 06:39 pm CT
Greg Tjapkes	Kailua	HI	96734	02-09-2024 06:32 pm CT
Terri Yoshinaga	Honolulu	HI	96822	02-09-2024 06:28 pm CT
Alberta Lono-Morolt	Honolulu	HI	96813	02-09-2024 06:21 pm CT
Amy Shinagawa	Honolulu	HI	96817	02-09-2024 06:18 pm CT
Brett Kulbis	Ewa Beach	HI	96706	02-09-2024 06:17 pm CT
Keith Chinen	Pearl City	HI	96782	02-09-2024 02:25 pm CT
LYNN TAMAGAWA	Honolulu	HI	96817	02-09-2024 01:34 pm CT
Daniel Peters	Kailua	HI	96734	02-09-2024 01:08 pm CT
Lei Baba	Aiea	HI	96701	02-09-2024 12:55 pm CT
Sean Nakamoto	Honolulu	HI	96826	02-09-2024 12:54 pm CT
Scott Kobayashi	Waipahu	HI	96797	02-09-2024 12:54 pm CT
Daryl Yamada	Mililani	HI	96789	02-09-2024 12:38 pm CT
Jed Tesoro	Kaneohe	HI	96744	02-09-2024 12:32 pm CT

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Mark Palompo	Haleiwa	HI	96712	02-09-2024 12:29 pm CT
Julie Pascua	Waipahu	HI	96797	02-09-2024 01:35 am CT
Sharon Martin	Kaneohe	HI	96744	02-09-2024 01:14 am CT
Daniel Chinen	Kaneohe	HI	96744	02-09-2024 01:03 am CT
Julia Yano	Kaneohe	HI	96744	02-08-2024 11:18 pm CT
Kathy Nakao	Makawao	HI	96768	02-08-2024 10:09 pm CT
Sharon Rowe	Makawao	HI	96768	02-08-2024 08:16 pm CT
April Moniz	Makawao	HI	96768	02-08-2024 08:09 pm CT
June Swezea	Lahaina	HI	96761	02-08-2024 07:57 pm CT
Edwin Nakakura	Караа	HI	96746	02-08-2024 07:55 pm CT
Carol Hashimoto	Wailuku	HI	96793	02-08-2024 07:18 pm CT
Kathryn Mundy	Kahului	HI	96732	02-08-2024 07:06 pm CT
Boyd Ready	Haleiwa	HI	96712	02-08-2024 07:02 pm CT
Rebecca Quezada	Kaneohe	HI	96744	02-08-2024 05:59 pm CT
Aleiah Visoria	Waipahu	HI	96797	02-08-2024 05:27 pm CT
Roxanne Montalbo	Kapolei	HI	96707	02-08-2024 04:46 pm CT
Diane Siperly	AIEA	HI	96701	02-08-2024 04:40 pm CT
Gail Kuba	Makawao	HI	96768	02-08-2024 03:32 pm CT
Dara Yatsushiro	Kailua	HI	96734	02-08-2024 03:11 pm CT
Jack Snell	Volcano	HI	96785	02-08-2024 02:37 pm CT
April Gragas	Makawao	HI	96768	02-08-2024 02:34 pm CT
Robin Ventura	Makawao	HI	96768	02-08-2024 02:13 pm CT
Gail Scanlan	Makawao	HI	96768	02-08-2024 02:06 pm CT
CALVIN CHINEN	Kaneohe	HI	96744	02-08-2024 01:59 pm CT
Erin Chinen	Kaneohe	HI	96744	02-08-2024 01:58 pm CT
Micah Chinen	Kaneohe	HI	96744	02-08-2024 01:57 pm CT
Joy Chinen	Kaneohe	HI	96744	02-08-2024 01:49 pm CT

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Sukhdev Contee	Aiea	HI	96701	02-08-2024 12:49 am CT
Audrey Cooper	MILILANI	HI	96789	02-07-2024 11:10 pm CT
Kini Sofa	Waianae	HI	96792	02-07-2024 10:42 pm CT
Patricia Harlor	Ewa Beach	HI	96706	02-07-2024 09:23 pm CT
David Skedeleski	Aiea	НІ	96701	02-07-2024 08:56 pm CT
Doreen Skedeleski	Aiea	HI	96701	02-07-2024 07:23 pm CT
Florence Tanaka	Mililani	HI	96789	02-07-2024 07:04 pm CT
Robyn Perreira	Waianae	HI	96792	02-07-2024 05:07 pm CT
Genel Oganeku	Mililani	HI	96789	02-07-2024 04:56 pm CT
Timothy Kahooilihala	Waianae	HI	96792	02-07-2024 03:52 pm CT
Amy Wong	Hilo	HI	96720	02-07-2024 02:11 pm CT
Aileen Chinen	Waipahu	HI	96797	02-07-2024 01:56 pm CT
Christine Laupola	Waianae	HI	96792	02-07-2024 01:13 pm CT
Theresa Figueroa	Ewa Beach	HI	96706	02-07-2024 01:04 pm CT
kurt okaneku	Waianae	HI	96792	02-07-2024 11:36 am CT
Mari Cardines	Waipahu	HI	96797	02-07-2024 10:46 am CT
Wendy Yoshioka	Aiea	HI	96701	02-07-2024 10:19 am CT
Edmund Aiu	Wahiawa	HI	96786	02-07-2024 09:07 am CT
Richard Malaki	Waianae	HI	96792	02-07-2024 09:03 am CT
Eva Hibbard	Waianae	HI	96792	02-07-2024 08:59 am CT
Dwight Hubbard	Waianae	HI	96792	02-07-2024 08:59 am CT
Pauahi Leoiki	Waianae	HI	96792	02-07-2024 08:56 am CT
Denise Howerton	Kaneohe	HI	96744	02-07-2024 04:01 am CT
Lynne Uehara	Pearl City	HI	96782	02-07-2024 02:15 am CT
Richele Tejada	Mililani	НІ	96789	02-07-2024 01:28 am CT
Willie Finley Jr	Waianae	НІ	96792	02-07-2024 01:27 am CT
Lisa Nishikawa	Mililani	HI	96789	02-07-2024 12:57 am CT

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Brandon Agena	Honolulu	HI	96816	02-07-2024 12:39 am CT
Lynn Matsuwaki	Mililani	НІ	96789	02-06-2024 11:32 pm CT
Angela Martin	Mililani	HI	96789	02-06-2024 11:16 pm CT
Ernest Smith	Waianae	HI	96792	02-06-2024 11:06 pm CT
Dayna Teruya	Mililani	НІ	96789	02-06-2024 11:03 pm CT
Joseph-paul Akim	Kapolei	HI	96707	02-06-2024 11:03 pm CT
Carm Akim	Kapolei	HI	96707	02-06-2024 11:02 pm CT
Antonio Llop	Waianae	HI	96792	02-06-2024 10:55 pm CT
Iolani Wright	Mililani	HI	96789	02-06-2024 10:29 pm CT
Catherine Collado	Mililani	HI	96789	02-06-2024 10:25 pm CT
Nicole Kaleopaa	Waianae	HI	96792	02-06-2024 10:13 pm CT
Simeon Kaleopaa	Waianae	HI	96792	02-06-2024 10:12 pm CT
Glenn Nitta	Mililani	HI	96789	02-06-2024 09:07 pm CT
Jenny Hazama	Mililani	HI	96789	02-06-2024 09:05 pm CT
Jody Goya	Mililani	HI	96789	02-06-2024 09:02 pm CT
Pamela Goya	Mililani	HI	96789	02-06-2024 09:01 pm CT
Melanie Ota	Mililani	HI	96789	02-06-2024 08:59 pm CT
tiare okaneku	Waianae	HI	96792	02-06-2024 08:57 pm CT
Gaile Nitta	Mililani	HI	96789	02-06-2024 08:55 pm CT
Janice Pablo	Waipahu	HI	96797	02-06-2024 08:53 pm CT
Brian Texeira	Waianae	HI	96792	02-06-2024 08:48 pm CT
Den Mahiai	Waianae	HI	96792	02-06-2024 08:45 pm CT
Zachary Bethel	Waianae	HI	96792	02-06-2024 08:45 pm CT
Carol Miyashiro	Waipahu	НІ	96797	02-06-2024 08:40 pm CT
Ed Werner	Waianae	НІ	96792	02-06-2024 08:37 pm CT
Michael Ibanez	Waianae	HI	96792	02-06-2024 08:15 pm CT
Sherwood Hanson	Waianae	HI	96792	02-06-2024 08:08 pm CT

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Makoto Madeira	Waianae	HI	96792	02-06-2024 08:07 pm CT
Christopher Searle	Waianae	HI	96792	02-06-2024 07:51 pm CT
Laura iwamoto	Mililani	HI	96789	02-06-2024 07:48 pm CT
Christine Iwamoto	Mililani	HI	96789	02-06-2024 07:46 pm CT
Stacelynn Eli	Waianae	HI	96792	02-06-2024 07:32 pm CT
Matagofie Talamoa	Waianae	HI	96792	02-06-2024 07:13 pm CT
Allen Cardines	Waipahu	HI	96797	02-06-2024 07:03 pm CT
Lynette Honda	Mililani	HI	96789	02-06-2024 07:01 pm CT
Ms. Lag De Leon	Kahului	HI	96732	02-06-2024 06:24 pm CT
Barbara Nosaka	Honolulu	HI	96822	02-06-2024 06:00 pm CT
Karen Powers	Kihei	HI	96753	02-06-2024 04:14 pm CT
Maria Consuelo Cabuyao	Honolulu	HI	96819	02-06-2024 03:41 pm CT
James Reid	Ewa Beach	HI	96706	02-06-2024 02:54 pm CT
Norice Wakumoto	Mililani	HI	96789	02-06-2024 01:12 pm CT
Paul Kim	Honolulu	HI	96818	02-06-2024 01:10 pm CT
Thomas Kaumeyer	Waianae	HI	96792	02-06-2024 12:06 pm CT
Craig Kawakami	Mililani	HI	96789	02-06-2024 11:52 am CT
Melissa Crisostomo	Mililani	HI	96789	02-06-2024 11:25 am CT
Shirley Kinoshita	Kapolei	HI	96707	02-06-2024 10:54 am CT
Edna Kido	Mililani	HI	96789	02-06-2024 08:19 am CT
Phil Nasca	Pearl City	HI	96782	02-06-2024 03:54 am CT
Bill Hicks	Kailua	HI	96734	02-06-2024 03:22 am CT
Pat Vuernes	Pearl City	HI	96782	02-06-2024 02:37 am CT
Judi Chang	Honolulu	HI	96815	02-06-2024 12:59 am CT
Wilim Ng	Honolulu	HI	96815	02-06-2024 12:04 am CT
Michael Wong	Kailua	HI	96734	02-05-2024 11:51 pm CT
Celyn Chong Kee	Honolulu	HI	96813	02-05-2024 11:48 pm CT

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Nina Andrias-Ng	Honolulu	HI	96815	02-05-2024 11:47 pm CT
Lori Yip	Honolulu	HI	96814	02-05-2024 11:37 pm CT
Roxanne Toyota	Honolulu	HI	96818	02-05-2024 11:22 pm CT
Vicki Miller	Kailua	HI	96734	02-05-2024 11:03 pm CT
Tracy Hokama	Honolulu	HI	96825	02-05-2024 10:07 pm CT
Patti Yasuhara	Honolulu	HI	96825	02-05-2024 09:16 pm CT
Fay Ekau	Waianae	HI	96792	02-05-2024 08:54 pm CT
Roxanne Jim	Honolulu	HI	96825	02-05-2024 08:42 pm CT
Reba Altizer	Kaneohe	HI	96744	02-05-2024 08:38 pm CT
Sharon Esser	Kailua	HI	96734	02-05-2024 08:16 pm CT
Kathleen Hashimoto	Kailua	НІ	96734	02-05-2024 08:11 pm CT
Sue Alden-Rudin	Honolulu	НІ	96825	02-05-2024 08:10 pm CT
Rita Kama-Kimura	Mililani	HI	96789	02-05-2024 08:04 pm CT
Hugh Yonamine	Honolulu	HI	96816	02-05-2024 07:59 pm CT
Tamah-Lani Noh	Waipahu	HI	96797	02-05-2024 07:56 pm CT
Joni West	Kapolei	HI	96707	02-05-2024 07:40 pm CT
Juliet Segundo	Kahului	HI	96732	02-05-2024 07:23 pm CT
Richard Hawkins	Pahoa	HI	96778	02-05-2024 06:52 pm CT
Dennis Arakaki	Honolulu	HI	96819	02-05-2024 06:40 pm CT
DANIE villena	Hilo	HI	96720	02-05-2024 06:02 pm CT
Tom Laidlaw	Kailua	HI	96734	02-05-2024 06:01 pm CT
Esther Gefroh	Honolulu	HI	96814	02-05-2024 05:49 pm CT
Philip Yasuhara	Kapolei	HI	96707	02-05-2024 05:43 pm CT

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To: Rep. David A. Tarnas, Chair Rep. Gregg Takayama, Vice Chair

To: Rep. Cedric Asuega Gates, Chair Rep. Kirstin Kahaloa, Vice Chair

Members of the Joint Committee on Judiciary & Hawaiian Affairs and Agriculture & Food Systems

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

#### Re: Testimony in Support of SENATE BILL (SB)3335 SD2 RELATING TO CANNABIS

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

Aloha Chair Tarnas, Chair Gates, and Members of the Committees,

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

#### We stand in strong support of SB3335, SD2.

At its core, this measure seeks to regulate Hawaii's cannabis industry, establish safeguards for the community through strong enforcement, and establish a new 14% tax on adult-use sales of cannabis to generate revenue for the state.

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

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

- \$39.2M Year One Projected Tax Revenue: Within the first year under this measure, the state is projected to generate more than \$39 million in tax revenue from GET, the new 14% cannabis tax, as well as corporate and income tax from the industry.
- \$109.7M Year Four Projected Tax Revenue: By year four, the industry has the potential to generate more than \$109.7 million in tax revenue annually for the state.
- **Reduce Up-Font Costs:** Massachusetts, Maryland, New Mexico and many other states launched their adult-use cannabis programs with less than \$10M. Thereafter, funding for social programs, enhanced enforcement and other initiatives were funded after tax revenue was generated.



Hawaii should take a similar approach especially given SB3335 was modeled after the policies from these other states.

• Utilize Existing Resources to Eliminate Need for an Appropriation: Unlike many other states, Hawaii has existing regulatory resources and experience that can be utilized to effectively launch an adult-use cannabis program. SB3335 transfers the Office of Medical Cannabis Control and Regulation (OMCCR) from the Department of Health to the new cannabis Authority. With 17 staff, \$3-4M in operating budget, another \$2M in revenue from patient registry and medical cannabis license fees, and \$2.5M in GET revenue, leveraging the resources of OMCCR is a logical and easy way to implement adult-use legislation. In addition, another \$2.5M would be available almost immediately under SB3335 as current medical cannabis licensees would be required to pay a conversion fee for their operations.

Given these considerations, I strongly urge the committees to pass SB3335 to address Hawaii's unregulated/illicit cannabis market, regulate legal adult use, and generate substantial revenue for the state to overcome the severe budget shortfall stemming from the wildfire response. Most importantly all this is possible without the need for further appropriations.

Thank you for the opportunity to testify,

Jaclyn Moore, Pharm.D.



To: Representative Cedric Gates, Chair of the House Agriculture & Food Systems Committee

Representative David Tarnes, Chair of the House Judiciary & Hawaiian Affairs Committee

Members of the both committees

Fr: Randy Gonce, Principal Consultant of Hawaii Cannabis Industry Solutions

Re: Testimony In Support of Senate Bill (SB) 3335 SD2

RELATING TO CANNABIS.

Establishes the Hawaii Hemp and Cannabis Authority and Hemp and Cannabis Control Board within the Department of Commerce and Consumer Affairs to regulate all aspects of the cannabis plant. Establishes the Hemp and Cannabis Control Implementation Advisory Committee. Beginning January 1, 2026, legalizes the personal adult use of cannabis. Establishes taxes for adult-use cannabis and medical use cannabis sales. Transfers the personnel and assets of the Department of Health and assets of the Department of Agriculture relating to cannabis to the Hawaii Hemp and Cannabis Authority. Declares that the general fund expenditure ceiling is exceeded. Makes appropriations. Takes effect 12/31/2050. (SD2).

Dear Chairs, Vice-Chairs and Members of both Committees:

Mahalo for scheduling this important measure for consideration in your committees. We have made history here today with the Hawaii House of Representatives hearing a cannabis legalization bill for the first time thanks to you all.

I am in Support of **SB3335 SD2** on the basis that I believe the Adult-Use of Cannabis should be legal in the State of Hawai'i. This legislation as it currently exists does have some flaws that should be addressed before becoming law. As a member of the Hawai'i Alliance for Cannabis Reform (HACR) I stand behind our coalition's recommended amendments to this measure.

Although I am in support of SB3335 I do have some recommendations for amendments that would make SB3335 more favorable and equitable. There are as follows:

#### **Strengthening the Social Equity Provisions**

As a former member of Dual Use of Cannabis Task Force that was created legislatively by <u>Act 169</u> in 2021. I am proud that recommendations from the Social Equity Committee Report, a report I authored and a committee I chaired, were adopted

into **SB3335 SD2**. I do believe that the social equity provisions can be strengthened. The previous versions of SB3335 had a specific % of tax revenues dedicated to the social equity programs. The SD2 version lumps the social equity funding into a special fund that also includes public health and education and public safety. I am concerned that this will impact the amount of funding that the social equity programs receive as it would be competing with public health and education and public safety needs.

My suggestion is to revert back to the original introduced language of SB3335 for the social equity provisions funding. This established a stand alone Cannabis Social Equity Fund and appropriated a specific percent of tax revenues for that fund alone. I suggest that percentage of funds to be 50% of all tax revenue collected on Adult-Use cannabis sales. Hawai'i needs to take equity seriously in a legalization framework and do the necessary work of repairing the harms the war on drugs had on our most vulnerable populations. A dedicated fund with 50% of the funds allocated is a step in that direction.

#### Remove Per Se DUI language in SD2

There is significant data and research that clearly show that per se DUI laws as it relates to cannabis is unfounded and not supported by data. This is highlighted in a newly released update (February 2024) to a report from the Department of Transportation's National Highway Traffic Safety Administration (NHTSA) on impaired driving and prevention.

It clearly states: "Several states have determined legal per se definitions of cannabis impairment, but relatively little research supports their relationship to crash risk. Unlike the research consensus that establishes a clear correlation between BAC and crash risk, drug concentration in blood does not correlate to driving impairment."

If this language stays in SB3335 and passed into law it will create much confusion leading to lawsuits crowding our already burdened court system. Law enforcement officers already make arrests for driving while impaired and have methodology to determine if a driver is indeed impaired.

## Addressing concerns about legalization that have been raised by members

Fiscal implications for the State of Hawai'i and start up costs for regulation will be tens of millions less than the initial sticker shock being reported

<sup>&</sup>lt;sup>1</sup> "Advanced Impaired Driving Prevention Technology", NHTSA <a href="https://www.federalregister.gov/documents/2024/01/05/2023-27665/advanced-impaired-driving-prevention-technology">https://www.federalregister.gov/documents/2024/01/05/2023-27665/advanced-impaired-driving-prevention-technology</a>

This bill outlines some of the start up costs that the State would need to put forth to implement the Adult-Use program. At first glance it may seem as if it will be a heavy lift but this is not as burdensome as many are making it out to be. I encourage lawmakers to look past the sticker shock and consider that this bill does include revenue generating language that would offset the start-up costs even before the 2026 start date for licensing.

- 1) SB3335 SD2 charges current medical cannabis licensees fee's for converting into the new Adult-Use program. These fees will be collected as soon as possible as it also allows current medical cannabis licensees to start selling under an adult-use frame work January 2025. The current fee rate in the bill is a one time fee of \$50,000 for each retail license and \$25,000 for each production license. Each medical cannabis licensee is able to convert 3 retail and 3 cultivation that would equal \$225,000 per medical licensee. Hawai'i has eight (8) current medical licensees and can expect all current medical licenses to convert the maximum allowed of licenses for a total of \$1.8 million dollars. This fee could be adjusted to fit the needs of the State to help offset even more of the start up costs while weighing the impact it would have on current medical cannabis licensees ability to operate.
- 2) The sales these dispensaries have in the year leading up to the 2026 roll out of licensing and the new regulatory body are subject to the state's 14% sales tax on cannabis. This will significantly support the stand up of the new program, new regulatory body, and state needs for adult-use. Currently, the medical licensees are subject to the 4.5% GET tax and sell to a very limited patient base. Even with these considerations current licensees bring in \$4.7 million in state tax revenue<sup>2</sup>. While it is hard to guesstimate how many residents and non-residents will purchase adultuse cannabis in the first year there are some national trends that provide guideposts. For example, the state of Maine which has a comparable population size, sold roughly \$60 million in Adult-Use sales in its first year of legal sales<sup>3</sup>. Noting that Maine does not have nearly as much tourist visitation as Hawai'i does, this initial sales number is a significantly LOW estimate of sales. If Hawai'i hits the \$60 million in sales mark, it would generate an additional \$8.4 million dollars in revenue on the low end. With Hawaii's rate of overall adult cannabis consumption and over 21 tourism rates, first year sales has potential to eclipse \$120+ million in Adult-Use sales in the first year. Which would generate roughly \$17 million in tax revenue that would be dedicated to the start up of the new Adult-Use program.

<sup>&</sup>lt;sup>2</sup> "Hawaii's medical cannabis industry: performance, policy, and economic impacts", an industry report by Paul H. Brewbaker, TZ economics <a href="https://irp.cdn-website.com/774e86c9/files/uploaded/">https://irp.cdn-website.com/774e86c9/files/uploaded/</a> HICIA%20Analysis%20of%202022%20Industry%20Report(FINAL).pdf

<sup>&</sup>lt;sup>3</sup> The First Year: Maine Banks \$60 Million in Adult-Use Cannabis Sales With Room to Grow, <a href="https://www.cannabisbusinesstimes.com/news/state-of-the-maine-adult-use-industry-year-one/">https://www.cannabisbusinesstimes.com/news/state-of-the-maine-adult-use-industry-year-one/</a>

Just these two items alone has the potential to provide **\$20 million** to the State to assist in the start up costs of the program. This significantly reduces the burden on the State and makes this bill a much lighter lift than what is being reported.

### Data proves the majority of residents support adult-use/legalization of cannabis.

The citizens of Hawai'i have been polled many times over the years and the latest polling clearly indicates that the majority of Hawai'i voters also support the legalization of cannabis in the state. Most recently in Public Resource Partnerships "Hawai'i Perspectives" Winter 2023 Report<sup>4</sup> it indicates that 58% support. Additionally, a previous poll done by SMS Research in 2023 indicated that 86% of Hawai'i residents support cannabis to be legal for either Medical or Adult Use purposes.<sup>5</sup> Of those 86% of voters the majority prefer an Adult-Use program or Dual-Use program over a Medical only.

These numbers are of current voters and all indications point also point to non-voters being in strong support of cannabis legalization. If members are concerned that this issue is a difficult one to weigh in on during an election year I hope are encourage by these polling numbers. If that still does not weigh heavily enough, in the same SMS Research poll there was a question that stated: "If a political candidate supported legalizing the adult recreational use of cannabis in Hawai'i, would that make you more likely to vote for the candidate, less likely, or would the candidate's support for legalizing adult recreational use not make much a difference in your vote?" An overwhelming percent of voters indicated that it would "make no difference" (39%) or "more likely" (30%) to support a candidate.

This is not an issue that will cost you an election. Representing all of Hawai'i, to include your districts, voters and non-voters, means supporting Adult-Use cannabis legislation.

Thank you for the opportunity to testify.

<sup>&</sup>lt;sup>4</sup> "Hawai'i Perspectives" Winter 2023 Report - PRP <a href="https://info.prp-hawaii.com/hawaii-perspectives-winter-2023-issue">https://info.prp-hawaii.com/hawaii-perspectives-winter-2023-issue</a>

<sup>&</sup>lt;sup>5</sup> "A Public Opinion Poll To Quantify Support/Opposition For Cannabis-Related Policies", SMS Research.

https://drive.google.com/file/d/1 3-0VjjsCdD7ogd4xx0cP6cTSkmmkjy5/view



Committee on Judiciary & Hawaiian Affairs Rep. David A. Tarnas, Chair Rep. Gregg Takayama, Vice Chair

Committee on Agriculture & Food Systems Rep. Cedric Asuega Gates, Chair Rep. Kirstin Kahaloa, Vice Chair

Hearing Date: Wednesday, March 13, 2024

### ACS CAN COMMENTS and Urge Clarification on SB 3335 SD2: RELATING TO CANNABIS.

Cynthia Au, Government Relations Director – Hawaii Guam American Cancer Society Cancer Action Network

Thank you for the opportunity to <u>COMMENT, urge clarification and offer amendments</u> on <u>SB 3335 SD2: RELATING TO CANNABIS</u>. American Cancer Society Cancer Action Network (ACS CAN) is the nonprofit, nonpartisan advocacy affiliate of the American Cancer Society. We support fact-based policy and legislative solutions designed to eliminate cancer as a major health problem. We support all efforts to invest in comprehensive policies that would strengthen the health infrastructure in Hawaii to prevent youth from starting to use tobacco and help adults already addicted to tobacco to quit.

ACS CAN remains concerned about reducing smoking including the use of e-cigarettes and reducing exposure to secondhand smoke. Expanding the use of cannabis only heightens these concerns and we encourage the legislature to ensure cannabis laws do not undermine effective tobacco control laws and further health disparities.

ACS CAN opposes smoking or aerosolization of any form of cannabis. Recent history from our tobacco control work has shown how creating different terms and definitions is a strategic move by Big Tobacco to ensure certain products are regulated or taxed differently or escape regulation and taxation all together. ACS CAN requests clarification that smoking, including the use of ecigarettes, of any and all cannabis or cannabis derived products, whether natural or synthetic, is prohibited in all workplaces and public places. This includes prohibiting indoor smoking associated with permits for special events and social consumption.

American Cancer Society Cancer Action Network | 2370 Nu'uanu Avenue | Honolulu, HI 96817 | fightcancer.org

We ask the legislature to consider amending the bill to keep current smoke-free air laws by broadening the definition of smoking as well as clear language that states the smoking of all the products defined in this bill is prohibited everywhere smoking is prohibited in 328J.

Amend definition of "smoking" to the following model definition:

"Smoking" means inhaling, exhaling, burning, or carrying any lighted or heated cigar, cigarette, pipe, hookah, or any other lighted or heated tobacco or plant product intended for inhalation, whether natural or synthetic, including marijuana/cannabis, in any manner or in any form. "Smoking" includes the use of an electronic smoking device which creates an aerosol or vapor, in any manner or in any form, or the use of any oral smoking device for the purpose of circumventing the prohibition of smoking in this Article.

ACS CAN is pleased to see the fund for cannabis social equity, public health education and public safety fund. We urge the state be required to collect baseline data and monitor the ongoing impact of cannabis on the use of tobacco and other substances including alcohol, opioids and tracking psychosis and other behavioral health conditions. We also urge the state be required to collect data on how engaging "disproportionately impacted area(s)" in the cannabis industry impacts health equity, including the impact of cannabis use, sales and all cannabis business locations in these areas as well as ensure equitable enforcement.

ACS CAN <u>opposes</u> the changes to the "e-liquid" definition to exempt cannabis, cannabis products or cannabis accessories. This creates a major loophole for companies to mix cannabis with tobacco or nicotine to avoid tobacco control laws. The only exemption ACS CAN supports in this definition is one for drugs, devices, or combination products authorized for sale by the U.S. Food and Drug Administration, as defined in the Federal Food, Drug, and Cosmetic Act.

To date, four THC-based drugs have been approved by the U.S. Food and Drug Administration (FDA) for the treatment of nausea, and several other similar drugs are being tested in clinical trials. None of the FDA-approved drugs require the smoking or aerosolizing of the drug.

ACS CAN also recommends prohibiting any cannabis retail stores from selling tobacco products, including e-cigarettes that contain tobacco or nicotine whether natural or synthetic. ACS CAN also recommends requiring all cannabis and hemp businesses to be located at least 1000 feet from schools and other child focused areas and extending the advertising prohibition from 750 feet to 1000 feet.

### **Health Effects:**

Marijuana smoke, like tobacco smoke, is a lung irritant and can pose significant risks to people who use and to those near use. Individuals who use marijuana may also experience other adverse effects, such as altered senses, changes in mood, and impaired cognitive and motor functions in

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the short-term; to impacts on breathing, brain development and the potential for addiction and risk of other drug or alcohol use in the long-term. Use of marijuana during pregnancy can have an impact on offspring before and after birth.<sup>ii</sup>

The most common way marijuana is used by adults is by smoking.<sup>III</sup> Among youth, the aerosolization of marijuana through e-cigarettes increased prior to the pandemic. In 2019, 3.9 percent of 8th graders, 12.6 percent of 10th graders, and 14.0 percent of 12th graders were current users (defined as use in the past 30 days).<sup>IV</sup> The 2023 levels remain substantial, with the percentage of youth using marijuana in the last year at 29% in 12th grade, 18% in 10th grade, and 8% in 8th grade.<sup>V</sup>

Marijuana smoking affects lung function including inflammation of the large airways, increased airway resistance, and lung hyperinflation. Marijuana smoke contains the same fine particulate matter found in tobacco smoke that can cause heart attacks. Individuals under the age of 45 who frequently smoke marijuana (defined as 4 or more times in the past 30 days) are almost twice as likely as those who don't smoke marijuana to have a heart attack. Marijuana smoke contains many of the cancer-causing substances found in tobacco smoke and has been shown to cause testicular cancer. The presence of cancer-causing substances is cause for concern and more research is needed to assess the impact of exposure to marijuana smoke on other types of cancer.

Cigarette dependence is significantly higher among individuals with daily marijuana use compared with those with non-daily or no marijuana use. Increasing marijuana use among people who smoke cigarettes can be a barrier to smoking cessation with adverse public health implications for tobacco control.<sup>x</sup>

ACS CAN supports prohibiting smoking or aerosolizing of marijuana and other cannabinoids in public places because the cancer-causing substances found in marijuana smoke pose numerous health hazards to the individual using and others in their presence. Secondhand marijuana smoke can pass THC, with people exposed feeling a psychoactive effect.xi This can be especially dangerous for children who are exposed. Allowing the smoking or aerosolizing of marijuana in public places also undermines the effectiveness of 100% smoke-free laws.

Thank you again for the opportunity to provide comment. Should you have any questions, please do not hesitate to contact Government Relations Director Cynthia Au at 808.460.6109, or Cynthia.Au@Cancer.org.

- viii Ladha KS, Mistry N, Wijeysundera DN, et al. Recent cannabis use and myocardial infarction in young adults: a cross-sectional study. *CMAJ* September 2021: 193 (35) E1377-E1384; https://doi.org/10.1503/cmaj.202392.
- ix Ghasemiesfe, M., Barrow, B., Leonard, S., Keyhani, S., & Korenstein, D. (2019). Association Between Marijuana Use And Risk Of Cancer: A Systematic Review And Meta-Analysis. *JAMA Network Open*, *2*(11), E1916318-E1916318.
- <sup>x</sup> Weinberger AH, Dierker L, Zhu J, Levin J, Goodwin RD. Cigarette dependence is more prevalent and increasing among US adolescents and adults who use cannabis, 2002-2019. Tobacco Control. Published Online First: 23 November 2021. Doi: 10.1136/tobaccocontrol-2021-056723.

<sup>&</sup>lt;sup>i</sup> FDA. FDA and Cannabis: Research and Drug Approval Process. February 24, 2023. <a href="https://www.fda.gov/news-events/public-health-focus/fda-and-cannabis-research-and-drug-approval-process">https://www.fda.gov/news-events/public-health-focus/fda-and-cannabis-research-and-drug-approval-process</a>.

ii National Institute on Drug Abuse; National Institutes of Health; U.S. Department of Health and Human Services. Marijuana Drug Facts. December 2019. <a href="https://www.drugabuse.gov/publications/drugfacts/marijuana">https://www.drugabuse.gov/publications/drugfacts/marijuana</a>.

Schauer GL, Njai R, Grant-Lenzy AM. Modes of marijuana use - smoking, vaping, eating, and dabbing: Results from the 2016 BRFSS in 12 States. Drug Alcohol Depend. 2020 Apr 1;209:107900. doi: 10.1016/j.drugalcdep.2020.107900. Epub 2020 Feb 6. PMID: 32061947.

<sup>&</sup>lt;sup>iv</sup> Miech, R. A., Patrick, M. E., O'Malley, P. M., Johnston, L. D., & Bachman, J. G. (2020). Trends in Reported Marijuana Vaping Among US Adolescents, 2017-2019. *JAMA*, *323*(5), 475–476. https://doi.org/10.1001/jama.2019.20185

<sup>&</sup>lt;sup>v</sup> Miech, R. A., Johnston, L. D., Patrick, M. E., O'Malley, P. M., & Bachman, J. G. (2023). Monitoring the Future national survey results on drug use, 1975–2023: Secondary school students. Monitoring the Future Monograph Series. Ann Arbor, MI: Institute for Social Research, University of Michigan. Available at https://monitoringthefuture.org/results/annual-reports

vi Gracie, K., & Hancox, R. J. (2021). Cannabis Use Disorder And The Lungs. Addiction, 116(1), 182-190.

vii Brook, R.D., Rajagopalan, S., Pope, C.A., 3rd, Brook, J.R., Bhatnagar, A., Diez-Roux, A.V., Holguin, F., Hong, Y., Luepker, R.V., Mittleman, M.A., Peters, A., Siscovick, D., Smith, S.C., Jr., Whitsel, L., and Kaufman, J.D. (2010). Particulate matter air pollution and cardiovascular disease: An update to the scientific statement from the American Heart Association. Circulation 121: 2331-78.

xi CDC. Marijuana FAQs. Accessed February 11, 2022: https://www.cdc.gov/marijuana/faqs.htm



March 11, 2024

Re: SB3335 SD2

### **COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS**

Rep. David A. Tarnas, Chair Rep. Gregg Takayama, Vice Chair

### COMMITTEE ON AGRICULTURE & FOOD SYSTEMS

Rep. Cedric Asuega Gates, Chair Rep. Kirstin Kahaloa, Vice Chair

## The Coalition for a Drug-Free Hawaii STRONGLY OPPOSES SB3335 SD2

Aloha Chairs and Vice Chairs, my name is Greg Tjapkes, and I am the Executive Director of the Coalition for a Drug-Free Hawaii (CDFH), as a drug abuse prevention youth-serving agency we STRONGLY OPPOSE **SB3335 SD2** 

The marijuana industry wants to legalize THC without limits, and they're calling it a "plant" and "natural", when in fact it's genetically engineered to deliver the highest possible intoxicating and impairing potency. It is not what it used to be.

THC potency should be limited. As you know, THC potency has increased from 3% in the 1970s, to over 25% today for cannabis flower, and concentrates can reach 95%+ potency. Legalizing cannabis without THC limits poses a grave danger to our keiki and young people with increased emergency department visits for cannabis hyperemesis syndrome and cannabis induced psychosis.

**Social costs will outweigh economic gains.** Consider the October 2023 publication by the the Kansas City Federal Reserve on the economic benefits and social costs in states that have legalized Cannabis.<sup>2</sup> They find:

### • Moderate economic gains:

- o average state income grew by 3 percent,
- o house prices by 6 percent, and
- o population by 2 percent.

### • Double digit percentage increases in social costs:

- o substance use disorders increasing by 17%,
- o chronic homelessness increased 35%,
- o and arrests increased 13 %

Contact: sam@drugfreehawaii.org Web: drugfreehawaii.org/samhawaii

Cannabis Policy: Public Health and Safety Issues and Recommendations. Caucus on International Narcotics Control, United States Senate, March 3, 2021, Washington, D.C. Report, https://www.drugcaucus.senate.gov/sites/default/files/02%20March%20 2021%20-%20Cannabis%20Policy%20Report%20-%20Final.pdf.

https://www.kansascityfed.org/research/research-working-papers/economic-benefits-and-social-costs-of-legalizing-recreational-marijuana/



Regarding the health of our keiki, and public health in general:

### • Youth Use, Mental Health, and Suicide

- Cannabis Use Disorder (CUD): Marijuana is the #1 drug <u>in Hawaii</u> for adolescent substance abuse treatment<sup>3</sup> with 76% of those seeking help for CUD.
- **Psychosis and Suicidal ideation:** Frequency and higher THC potency are associated with psychosis, suicidality, reshaping of brain matter, and addiction <sup>4</sup>
- Vaping Marijuana: 12.5% of <u>Hawaii teens</u> report vaping marijuana <sup>5</sup>

### • Increased Drugged Driving Deaths

- THC positivity among <u>fatally injured drivers in Hawaii</u> increased nearly threefold, from 5.5% in 1993-2000, to 16.3% in 2011-2015.<sup>6</sup>
- Marijuana is involved in more than 1 in 4 road deaths in Colorado.<sup>7</sup>

### Harms to Mothers and Children

- **Pregnancy:** "No amount of marijuana use during pregnancy or adolescence is known to be safe." Dr. Jerome Adams, U.S. Surgeon General, 2019
- **Pediatric poisonings:** Calls to poison control centers about kids 5 and under consuming edibles containing THC rose 1375% from 2017 to 2021.<sup>8</sup>

This bill will benefit very few, cost us dearly. It has the potential to harm many, especially our children, families, and character of the Aloha State.

Please vote no on SB3335 SD2.

Thank you,

Greg Tjapkes Executive Director Coalition for a Drug-Free Hawaii

Contact: sam@drugfreehawaii.org Web: drugfreehawaii.org/samhawaii

<sup>&</sup>lt;sup>3</sup> ADAD Report to the Legislature 2024, p. 36

<sup>&</sup>lt;sup>4</sup> Cinnamon Bidwell et al., 2018; Di Forti et al., 2019; Fischer et al., 2017; Pierre et al., 2016.

<sup>&</sup>lt;sup>5</sup> 2019-2020 Hawai'i Student Alcohol, Tobacco and Other Drug Use (ATOD) Survey, p. 38

<sup>&</sup>lt;sup>6</sup>Motor vehicle crash fatalities and undercompensated care associated with legalization of marijuana. Susan Steinemann, MD, Daniel Galanis, PhD, Tiffany Nguyen, and Walter Biffl, MD, Honolulu, Hawaii

<sup>7</sup> Rocky Mountain High Intensity Drug Trafficking Area. (2019). The legalization of marijuana in Colorado: The impact. https:// rmhidta.org/files/D2DF/FINAL-Volume6.pdf.

 $<sup>{}^{8}{\</sup>rm https://www.nbcnews.com/health/health-news/reports-young-children-accidentally-eating-marijuana-edibles-soar-rcna63501}$ 

# Jeffrey Hong CEO Techmana LLC



Date: 3/11/2024

To: Representative David Tarnas, Chair Committee on Judiciary and Hawaiian Affairs Representative Cedric Gates, Chair Committee on Agriculture and Food Systems

Dear Chair Tarnas, Chair Gates, and Members of the Joint Committees:

My name is Jeff Hong I am the CEO of Techmana LLC. Techmana is a Hawai'i based software development and cybersecurity company. I testify in strong support of SB3335 SD2 I have seen the detrimental effects on the failed war on drugs in general and cannabis in particular. I have additional professional perspectives as Board Chair of Hawaiian Ethos, a medical cannabis licensee, and as Chair of the Honolulu Liquor Commission. I testify only in a personal capacity.

Working in the technology industry, I have had colleagues removed from employment or afraid to apply for employment because of their cannabis use. This policy makes us less competitive with jurisdictions that have eliminated the criminalization of cannabis.

The expungement provision of this bill are vital to addressing the harms of our failed past policies. Under our current liquor laws HRS 281-45, a felony disqualifies an applicant from ownership in any business that serves alcohol; boat, store, bar, club, or restaurant. This prevents a significant slice of our citizens from creating small businesses in our hospitality focused economy. In previous testimony (HB1595), the law enforcement community raised objections to the complexity and cost to implement a state-initiated expungement process. Our State's current IT systems are inadequate to automate the process and the criminal records are inadequately encoded for automation. The revenue raised by this bill provide an opportunity to fund upgrading our antiquated systems and provide relief to those affected.

When regulating alcohol, there is a balance in providing flexibility to the regulatory agency in the Rules of County Liquor Commissions and establishing a solid framework in statute. The regulatory agency needs nimble but also benefits from clear statutory direction. To

provide clarity for the conversion of the medical program participants and to ensure adequate supply during conversion, we support the proposed amendment to Part VI:

SECTION 50. (a) Each existing medical cannabis dispensary whose license remains effective pursuant to section 48 of this Act may convert their operation into licenses under chapter A, Hawaii Revised Statutes, before January 1, 2025; provided that the existing medical cannabis dispensary may only convert existing licensed operations and premises; provided further that an existing medical cannabis dispensary may only be issued up to three cannabis cultivator licenses, three cannabis processor licenses, three medical cannabis dispensary licenses, and three retail cannabis store licenses, but not to exceed nine licenses in total, in accordance with chapter A, Hawaii Revised Statutes, and rules adopted thereunder.

Replace stricken language with:

"notwithstanding any restrictions on the maximum number of licenses, license type or license size, or plant canopy square footage in this Act, each existing medical cannabis dispensary may convert all of its existing licensed operations and premises at the time of conversion before January 1, 2025, without limitation to maintain the current cannabis market without disruption. Conversion to a cannabis cultivator license shall convert each site to a single license. The authority may grant existing medical cannabis dispensary operations additional licenses to ensure the adequate supply of both medical and adult-use cannabis during the conversion of existing licenses and prior to the issuance of new licenses."

We have seen the failures of prohibition with both alcohol and cannabis. Part of our thriving hospitalty industry is due to a sensible regulatory scheme of post prohibition alcohol. It has taken decades of constant tuning of liquor laws to balance minimizing the harms of alcohol while allowing people to choose to drink.

This bill is far from perfect, but it is a good start to remove the harms caused by cannabis prohibition and to start a new local industry.

Mahalo for the opportunity to testify.							

### **SB-3335-SD-2**

Submitted on: 3/12/2024 1:57:24 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Leah Kekaualua	Pakalolo for the People	Support	In Person

Comments:

**Testimony** 

IN SUPPORT

SB3335, SD2 - Relating to Cannabis

Aloha, Chairs Tarnas and Gate,

My name is Leah Kekaualua and I am writing on behalf of Pakalolo for the People in support of SB 3335 as we believe legalizing cannabis for adult use would be one of the best decisions we could make for Hawai'i. 24 other states and districts across the United States have legalized cannabis use. In fact, the majority of tourists visiting Hawai'i are coming from places where cannabis is already legal. By moving on this issue now, you are not only establishing a regulated market to capture local sales but we are setting up Hawai'i farmers to establish themselves now for export potential when Federal legalization inevitably comes.

Whether we call it medical or recreational, tested and regulated products that are subject to quality control standards encourage safe and responsible cannabis use. This is an opportunity to establish a healthy, legal industry that fosters community engagement and education around cannabis use while promoting dialogue and understanding about responsible consumption to prevent potential risks. By putting an end to cannabis prohibition, Hawai'i will generate significant tax revenue, create valuable jobs for our locals, and set forward a safe and legal framework for current operators to step out of illicit operations. We can do this right. It starts with legalizing adult use now.



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

## **COMMENTS ON SB 3335, SD 2**

TO: Chair Tarnas, Vice-Chair Takayama, & JHA Committee Members

Chair Gates, Vice Chair Kahaloa, & AGR Committee Members

FROM: Nikos Leverenz, Board President

**DATE:** March 12, 2024 (2:00 PM)

On behalf of Drug Policy Forum of Hawai'i (DPFH), I am writing to offer comments on SB 3335, SD 2, which would establish the Hawai'i Hemp and Cannabis Authority and Hemp and Cannabis Control Board within the Department of Commerce and Consumer Affairs, legalizes personal adult use of cannabis, and establishes taxes for adult-use cannabis sales.

Along with other members of the <u>Hawai'i Alliance for Cannabis Reform</u> (HACR), DPFH has ongoing concerns stemming from the current vehicle before your committees. With other HACR members, we urge an approach to cannabis legalization that avoids increased criminalization and instead focuses on building an equitable and inclusive industry in every county, reinvests in communities, and provides reparative justice.

### The Recent Experience of New Mexico

In terms of the costs of implementing a prospective cannabis control authority and brining a functional, broad based adult-use market, the recent experience of New Mexico can shed light on the significant upside potential of adult use legalization.

For perspective, New Mexico borders two other adult-use states with a population of 2.1 million and a GDP of \$96.5 billion. Its visitor spending was less than half that of Hawai'i in 2023 (\$8 billion v. \$20 billion).

<u>Per New Mexico's Department of Finance and Administration</u>, the costs of the Cannabis Control Division of the Regulation & Licensing Department were \$3.1 million in FY23 and \$3.5 million in FY24, with a recommendation of \$2.3 million in FY25.

In April 2023, New Mexico Governor Michelle Lujan Grisham noted the successes of the first full year of adult use cannabis, including "more than \$27 million in cannabis excise taxes [to] the state general fund and to local communities." Further, "In just one year, hundreds of millions of dollars in

economic activity has been generated in communities across the state, the number of businesses continues to increase, and thousands of New Mexicans are employed by this new industry."

Ongoing Concerns Grounded in Framework's Non-Recognition of Cannabis Prohibition's Harms and Provisions Providing for Continued Criminalization

As the legislature moves forward in its deliberations, it should carefully consider and include measures to ensure a meaningful level of participation in the adult-use cannabis market for those who have been marginalized and criminalized through cannabis prohibition and the larger drug war. Those who have been harmed by decades of prohibition should have their cannabis-related arrest and conviction records cleared. Last year, <u>Missouri expunged almost 100,000 marijuana convictions</u>.

Additionally, cannabis tax revenues can and should provide for science-based, harm reduction-focused educational materials to inform consumer choices, in contrast the Department of Health's ongoing nonfeasance in promulgating educational materials related to medical cannabis

The regulatory body that is charged with rulemaking and oversight powers should be free of undue influence of large-scale commercial interests, political favoritism, and continued resistance to a functional adult-use cannabis economic sector.

As such, similar to a provision in current statute relating to the composition of liquor commissions, whatever regulatory authority that oversees the adult-use cannabis market should not be (1) an elected officer of state or county government; (2) a candidate for election; or (3) has connections with organizations or associations, public or private, that are currently or have been advocates for cannabis prohibition, including the criminalization of cannabis paraphernalia, dating back to the Controlled Substances Act of 1970.

HRS 281-11(b) provides, in part, that "no person shall be a member of any commission or board who [is] identified or connected with, any organization or association which advocates prohibition..." That should also be the case for adult-use cannabis.

Current executive departmental oversight of the state's hemp and medical cannabis sectors are clear ongoing demonstrations of how regulators have been less than accommodating in the cultivation of workable, forward-looking business climate that can generate jobs, economic activity, and tax revenues.

In addition to these concerns, while DPFH supports the general statutory framework provided by this bill, other concerns include, but are not limited to:

• **Youth Criminalization**. The bill re-criminalizes minors in possession and imposes excessive penalties for providing cannabis to those 18-20. While we certainly agree it should remain illegal to provide cannabis (other than medical cannabis), imposing even harsher penalties than the status quo is unreasonable.

- Cannabis Odor as Pretext for Searches. Add protections to clarify that the odor of cannabis, on its own, does not establish probable cause for a warrantless search.
- Per se DUI Provision. Remove the outrageous and unscientific per se "driving under the influence" limit of 10 nanograms per milliliter of THC for adults and medical patients, and any trace amount for those under 21. Due to significant variations among individuals in THC levels at times of impairment, particularly between regular consumers and novice users, this will criminalize patients and other sober drivers long after impairment wears off. It would also make it difficult to convict cannabis-impaired drivers testing below the threshold. Rather than criminalizing sober drivers, Hawai'i should invest in more DRE and ARIDE-trained officers. It should also have a robust public education campaign on the dangers and illegality of impaired driving.
- **Open Containers**. Remove the broad open container law, which would jail individuals for up to 30 days and/or impose a fine of up to \$2,000 for a driver or passenger who possesses in the passenger area a cannabis package that has ever been opened, loose cannabis, or any pipe.
- **Storage**. Remove the requirement that cannabis to always be stored in a sealed container, which applies even if adults live alone with no minors in the household.
- **Consumption Restrictions**. Remove the ban on any consumption of cannabis in a public place or a vehicle, which would apply even to those using cannabis medicinally in a parked vehicle. Imposing a civil fine for public smoking would be more appropriate.
- **Paraphernalia Law Exemption**. Add provisions legalizing the possession and distribution of cannabis paraphernalia.
- **Collateral Consequences**. Add protections to prevent cannabis consumers' lives from being ruined, by including protections to prevent Hawai'i residents from:
  - losing custody of their children for the responsible use of cannabis
  - losing state benefits for the responsible use of cannabis
  - losing professional or occupational licenses for the responsible use of cannabis
  - having parole or probation supervision revoked for cannabis

Cultivating Economic Opportunities & Better Serving Community Needs

The experiences of states that have legalized adult-use cannabis have raised varied challenges in operating a functional intrastate market that adequately meets the demands of medical cannabis patients and those choosing to enjoy responsible adult use. Excessive regulation and burdensome taxation are among those challenges to be avoided.

A variety of cannabis businesses, including those related to craft cannabis and cannabis tourism, in every county can help ensure that economic opportunities are available to many rural communities. It should continually re-evaluate its polices and endeavor to prepare Hawai'i's emerging cannabis economic sector for prospective participation in a national and global cannabis marketplace.

Last December, I co-authored an opinion-editorial in *Honolulu Civil Beat* with Maui County Councilmember Keani Rawlins-Fernandez and Rep. Jeanne Kapela where we underscored the promotion of meaningful equity throughout the cannabis sector, including production, manufacture, transportation, and sale.

This may include the broad provision of licenses, as is the case with industrial hemp, but fees and regulations must be in amount that allows rigorous participation in a functional commercial market by rural farmers and small businesses in every county in Hawai'i. Even with federal and state authorization, current participants in this state's anemic industrial hemp market have been stymied by poor regulations and untoward bureaucratic resistance from executive departments.

Similarly, current participants in the vertically-integrated medical cannabis sector have had their operations subject to such resistance, bolstered by the lethargy of policymakers that cannot, for example, facilitate the provision science-based educational materials, employment protections for medical cannabis patients, or access to tinctures and edibles by those in hospice facilities.

As we wrote, "Building a more prosperous, sustainable, and equitable economy in this state should include fair, active, and continuous participation for those living in rural areas of every county. Cannabis grown by Hawaiian hands on Hawaiian lands should be a key component of that grand effort." (emphasis added) We also note that Maine and other states are encouraging a craft cannabis industry that champions smaller-scale farms.

While DPFH supports using tax revenues to facilitate the costs of administration, it recognizes that tax revenues should mainly accrue to the general fund. As noted in the *Civil Beat* op-ed, revenues from cannabis sales can be used "to improve the health and well-being of those from rural communities and other under-resourced populations, including behavioral health services, homelessness prevention, and youth programming."

Acknowledging the Human Wreckage of Prohibition & Charting a New Course Forward

The current regime of cannabis prohibition, like the larger drug war, compounds the harm of extensive involvement in the criminal legal system by Native Hawaiians and other residents from under resourced communities that are significantly impacted by social determinants of health.

Long term arrest data indicates that Native Hawaiians are disproportionately impacted by overcriminalization of cannabis in every county. A misdemeanor conviction features many "collateral consequences" that impact an individual's ability to obtain employment, housing, and education. Adult-use cannabis legalization will curb the negative impact of our state's drug law enforcement on those from Native Hawaiian and under resourced communities.

Ongoing cannabis prohibition needlessly raises the overall year-to-year costs of Hawai'i's criminal legal system, where terms of probation or parole are lengthened apart from a more calibrated determination of safety risks to the community. Prolonged periods of probation or parole increase the likelihood of a return to jail or prison at great cost to state taxpayers, which has not been mentioned in public deliberations over a new billion-dollar jail facility on O'ahu.

Again, while cannabis use is not entirely devoid of individual health risks, its use does not produce the injury, illness, and death resulting from regular or problematic use of alcohol or tobacco, two widely used licit substances that are not included in the federal Controlled Substances Act.

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

Public health approaches offer effective, evidence-based responses, but some of the most effective interventions are not currently allowed in the United States owing to outdated drug laws, attitudes, and stigma. Substance misuse treatment is too often unavailable or unaffordable for the people who want it. A criminal justice response, including requiring arrest to access health services, is ineffective and leads to other public health problems. (Policy Statement, "Defining and Implementing a Public Health Response to Drug Use and Misuse.")

Mahalo for the opportunity to provide testimony.

New Mexico cannabis industry marks one year, more than \$300 million in adult-use sales Apr 3, 2023 | Press Releases

Gov. Michelle Lujan Grisham today announced that the state saw \$300 million in adult-use cannabis sales in its first year, which began in April 2022.

In one year, the state has issued around 2,000 cannabis licenses across New Mexico, including 633 cannabis retailers, 351 producers, 415 micro producers, and 507 manufacturers.

"In just one year, hundreds of millions of dollars in economic activity has been generated in communities across the state, the number of businesses continues to increase, and thousands of New Mexicans are employed by this new industry," said Gov. Lujan Grisham. "I'm excited to see what the future holds as we continue to develop an innovative and safe adult-use cannabis industry."

Monthly sales have remained consistent throughout the last year, with March 2023 marking the highest adult-use sales at \$32.3 million. As of March 2023, more than \$27 million in cannabis excise taxes has gone to the state general fund and to local communities. To date, the state has recorded more than 10 million transactions. More data on sales and licenses can be found here.

Albuquerque, Las Cruces, and Santa Fe saw the largest number of sales in the first year. Smaller communities, including Clovis, Farmington, and Ruidoso, each saw more than \$7 million in adultuse sales. Towns near the Texas border were also positively impacted by the cannabis industry. Sunland Park recorded \$19.4 million in adult-use sales.

"From the governor's signing of the legislation, to standing up the Cannabis Control Division and rolling out this new industry, the New Mexico cannabis industry has shown great promise," said Regulation and Licensing Department Superintendent Linda Trujillo. "We're looking forward to even more growth in year two."

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Committees: Judiciary and Hawaiian Affairs & Agriculture and Food Systems

Hearing Date/Time: Wednesday, March 13, 2024, at 2:00pm

Place: Conference Room 325 & Via Videoconference

Re: **Testimony of the ACLU of Hawai'i: COMMENTS on** 

S.B. 3335 S.D.2 Relating to Cannabis

Dear Chairs Tarnas and Gates, Vice Chairs and Committee Members:

ACLU of Hawai'i submits comments on **S.B. 3335 S.D. 2**, which establishes the Hawai'i Cannabis Authority and Cannabis Control Board within the Department of Commerce and Consumer Affairs to regulate all aspects of the cannabis plant and begins the legalization of personal adult use of cannabis on January 1, 2026.

As a member of the **Hawai'i Alliance for Cannabis Reform**, we also support the recommended amendments submitted on behalf of the Coalition and listed below in our testimony.

Adult-Use Cannabis Legalization Will Reverse Prohibition Policies that Violates an Individual's Right to Bodily Autonomy and Privacy.

The ACLU of Hawai'i supports adult-use cannabis legalization based on the rights of individuals to bodily autonomy and privacy enshrined in our federal and Hawai'i Constitutions.

First, individuals have a right to bodily autonomy. This includes the decision to use (or refuse) alcohol, tobacco, Tylenol or cannabis, a plant with known medicinal properties since time immemorial.<sup>1</sup>

Second, individuals in Hawai'i have the explicit right to privacy.<sup>2</sup> Individuals should be able to exercise their right to bodily autonomy, and use or carry cannabis on their

<sup>&</sup>lt;sup>1</sup> Similarly, the ACLU of Hawai'i supports the rights of individuals to access reproductive care as a right to bodily autonomy, including but not limited to the abortion pill.

<sup>&</sup>lt;sup>2</sup> The Hawai'i Constitution reads as follows: "The right of the people to privacy is recognized and shall not be infringed without the showing of a compelling state interest. The legislature shall take affirmative steps to implement this right." Article I, section 6.

person, and within their houses and not be subject to unreasonable searches, seizures and invasions of privacy.<sup>3</sup>

Adult-Use Cannabis Legalization Must Include Social Equity and Reparative Justice Reforms to Address the Harms Resulting from Decades of Cannabis Prohibition.

The ACLU of Hawai'i strongly supports comprehensive equitable policies to legalize, tax, and regulate adult use of cannabis, in tandem with social equity and reparative reforms to redress the devastating effects of cannabis prohibition policies.

We acknowledge the many hours of research and work of the Department of the Attorney General in drafting this measure as a starting point for substantive policy discussions relating to cannabis legalization.

At this time, we offer comments, instead of full support, as the draft measure currently includes provisions that will likely increase criminal convictions and incarceration for conduct that does not jeopardize public safety.

Additionally, this draft falls short of the robust social equity and reparative justice reforms required to address the harms and collateral consequences of cannabis arrest and conviction records that last a lifetime.

Notably, these harms have disparately impacted Native Hawaiians. As reflected in <u>The Disparate Treatment of Native Hawaiians in the Criminal Justice System Report</u> conducted by the Office of Hawaiians Affairs and Justice Policy Institute, Native Hawaiians do not use drugs at drastically different rates from people of other races or ethnicities, but Native Hawaiians go to prison for drug offenses more often than people of other races or ethnicities.<sup>4</sup>

Accordingly, we offer comments and recommendations to achieve an adult-cannabis legalization regulatory framework driven by data, social equity, and restorative justice.

Additionally, Article I, section 7 of the Hawai'i Constitution states: "The right of the people to be secure in their persons, houses, papers, and effects against unreasonable searches, seizures, and invasions of privacy shall not be violated."

<sup>&</sup>lt;sup>4</sup> https://www.oha.org/wp-content/uploads/2014/11/es\_final\_web\_0.pdf See also, https://www.oha.org/wp-content/uploads/2014/11/factsheets\_final\_web\_0.pdf

# CONCERNS RELATING TO THIS DRAFT MEASURE AND PROPOSED AMENDMENTS

The Proposed Measure Includes Numerous Unnecessary Provisions that Will Likely Result in Further Criminalization and Incarceration, Instead of Diversion from the Criminal Legal System.

The Crime in Hawai'i 2020: A Review of Uniform Crime Reports compiled in 2020 by the Hawai'i Attorney General Crime Prevention and Justice Assistance Division Research and Statistics Branch provides arrest data relating to marijuana possession.

## Adult Part II Arrests by Offense, State of Hawaii, Marijuana Possession

2016	2017	2018	2019	2020
629	627	900	791	523

As highlighted by the Attorney General's data, individuals in Hawai'i continue to be arrested for cannabis possession despite passage of the decriminalization law in 2019.

Arrests are a gateway into the criminal legal system. For individuals convicted of cannabis possession of three ounces or more, or manufacturing or sale, they may be sentenced to incarceration, legal supervision, fines and a lifetime of collateral consequences resulting from a criminal legal record.

The failed War on Drugs in Hawai'i has contributed to severe overcrowding in Hawaii'i's jails and prisons.<sup>5</sup> Many people are living in inhumane and unconstitutional conditions of confinement in our carceral facilities while separated from their loved ones, here in Hawai'i and in private for-profit prisons thousands of miles away.

While SB 3335, S.D. 2 includes improvements from the prior draft, we offer the recommended amendments to SB 3335, SD 2 to foster justice and equity:

1. Strict Compliance Language. Revise the language that only creates an exception to criminal codes if a person is acting in "strict compliance," resulting in harsh penalties for small technical violations. The bill should remove criminal penalties for adults growing and possessing legal amounts, as other legal states do. It could impose modest, non-criminal penalties for technical violations.

Recommended changes, marked up from SD 2:

<sup>&</sup>lt;sup>5</sup> https://dcr.hawaii.gov/wp-content/uploads/2024/01/Pop-Reports-EOM-2023-12-31.pdf

- **§A-4 General exemptions.** (a) Notwithstanding any law to the contrary, including part IV of chapter 329 and part IV of chapter 712, actions authorized pursuant to this chapter shall be lawful if done in [strict] compliance with the requirements of this chapter and any rules adopted thereunder.
- (b) A person may assert [strict] compliance with this chapter or rules adopted thereunder as a [an affirmative]defense to any prosecution involving marijuana or marijuana concentrate, including under part IV of chapter 329 and part IV of chapter 712.
- (c) <u>Violations of [Actions that do not strictly comply with]</u> the requirements of this chapter and any rules adopted thereunder shall be unlawful and subject to civil, criminal, or administrative procedures and penalties, or all of the above, as provided by law.

SECTION 40. Section 712-1249, Hawaii Revised Statutes, is amended to read as follows:

- "§712-1249 Promoting a detrimental drug in the third degree. (1) A person commits the offense of promoting a detrimental drug in the third degree if: (a) the person is under twenty-one years of age and knowingly possesses any marijuana;
- (b) the person is twenty-one years of age or older and knowingly possesses an amount of marijuana that exceeds the possession limit; or
- (c) the person knowingly possesses any Schedule V substance in any amount.
- (2) Promoting a detrimental drug in the third degree [is] shall be a petty misdemeanor; provided that possession of three grams or less of marijuana by a person under twenty-one years of age [is] shall be a violation, ...
- (3) As used in this section, "possession limit" means:
- (i) one ounce of cannabis flower and up to five grams of tetrahydrocannabinol contained within cannabis products; and
- (ii) within a person's private residence only, up to ten ounces of adult-use cannabis produced by their personal cultivation of cannabis; provided that no more than two pounds of cannabis in total, shall be stored at any private residence, regardless of the number of people residing there.

### If needed:

# Section xx. Failure to abide by restrictions on adult possession or use of cannabis.

- (1) A person commits the offense of failing to abide by restrictions on adults' possession or use of cannabis if the person is twenty-one years of age or older and is not in compliance with the requirements in §A-51.
- (2) Failing to abide by restrictions on adults' possession of cannabis possession shall be a violation, punishable by a fine of up to \$130. A person found responsible for a violation under this section may request, and shall be granted, a penalty of up to 10 hours of community service in lieu of a fine.

# Section xx. Failure to abide by restrictions on personal cultivation of cannabis.

- (1) A person commits the offense of failing to abide by restrictions on adults' personal cultivation of cannabis if the person is twenty-one years of age or older and is not in compliance with the requirements in §A-52.
- (2) Failing to abide by restrictions on adults' personal cultivation of cannabis shall be a violation, punishable by a fine of up to \$750. A person found responsible for a violation under this section may request, and shall be granted, a penalty of up to 40 hours of community service in lieu of a fine.
- 2. Youth Criminalization. SB 3335, SD 2 re-criminalizes minors in possession of cannabis and imposes excessive new penalties for providing cannabis to those 18-20. While we certainly agree it should remain illegal to provide cannabis (other than medical cannabis), imposing even harsher penalties than the status quo is unreasonable.

Recommended changes, from SD1:

Delete sections 39, 41, and 42.

Modify section 40, §712-1249 to read:

# Promoting a detrimental drug in the third degree.

- "§712-1249 Promoting a detrimental drug in the third degree. (1) A person commits the offense of promoting a detrimental drug in the third degree if: (a) the person is under twenty-one years of age and knowingly possesses any marijuana;
- (b) the person is twenty-one years of age or older and knowingly possesses an amount of marijuana that exceeds the possession limit or
- (c) the person knowingly possesses any Schedule V substance in any amount.
- (2) Promoting a detrimental drug in the third degree [is] shall be a petty misdemeanor; provided that possession of three grams or less of marijuana by a person under twenty-one years of age [is] shall be a violation, punishable by a fine of up to \$130. A person found responsible for a violation under this section may request, and shall be granted, a penalty of up to 10 hours of community service in lieu of a fine.
- (3) As used in this section, "possession limit" means:
- (i) one ounce of cannabis flower and up to five grams of adult-use cannabis products as calculated using information provided pursuant to section A-113(d); and
- (j) within a person's private residence only, up to ten ounces of adult-use cannabis produced by their personal cultivation of cannabis; provided that no

more than two pounds of cannabis in total, shall be stored at any private residence, regardless of the number of people residing there.

3. Open Containers. Remove the broad open container law, which would jail individuals for up to 30 days and/or impose a fine of up to \$2,000 for a driver or passenger who possesses in the passenger area a cannabis package that has ever been opened, loose cannabis, or any pipe. This applies even to patients, who sometimes need emergency relief.

If an open container law must remain, SD 2 should at least be revised so:

- 1) the penalty is on par with the current penalty under decriminalization (\$130, or an equivalent amount of community service hours);
- 2) the penalty does not apply to passengers with cannabis on their person (some of those passengers will be in busses/shuttles/Lyfts/cabs where it would be difficult to impossible to store cannabis in a trunk);
- 3) passengers many of whom will be medical patients do not face jail time for taking a tincture or edible; and
- 4) it specifies some places where cannabis may be legally stored in cars, since some have no trunk and could be considered 100% passenger areas.

Recommended changes from SD2 if the open container provision is not deleted entirely:

SECTION 6. Chapter 291, Hawaii Revised Statutes, is amended by adding three new sections to part I to be appropriately designated and to read as follows: "§291- Consuming [or possessing] marijuana or marijuana concentrate while operating or a passenger in a motor vehicle or moped. (a) No person shall consume, including through secondhand or passive smoking, any marijuana or marijuana concentrate while operating a motor vehicle or moped upon any public street, road, or highway.

- (b) No person shall smoke or vaporize any marijuana or marijuana concentrate while a passenger in any motor vehicle or on any moped upon any public street, road, or highway. [No person shall possess within any passenger area of a motor vehicle or moped, while operating the motor vehicle or moped upon any public street, road, or highway, any bottle, can, package, wrapper, smoking device, cartridge, or other receptacle containing any marijuana or marijuana concentrate that has been opened, or a seal broken, or the contents of which have been partially removed, or loose marijuana or marijuana concentrate not in a container.]
- (c) Any person violating this section shall be guilty of a petty misdemeanor and shall be fined no more than \$2,000 or imprisoned no more than thirty days, or both.

- §291-Open container of [Consuming or possessing ]marijuana or marijuana concentrate[while a passenger] in a motor vehicle or on a moped. (a)[No person shall consume any marijuana or marijuana concentrate while a passenger in any motor vehicle or on any moped upon any public street, road, or highway.
- <u>(b)</u>]No person shall possess within any passenger area of a motor vehicle or moped [, while a passenger in the motor vehicle or on the moped] being operated upon any public street, road, or highway, any bottle, can, package, wrapper, smoking device, cartridge, or other receptacle containing any marijuana or marijuana concentrate that has been opened, or a seal broken, or the contents of which have been partially removed, or loose marijuana or marijuana concentrate not in a container.
- (b) This section does not apply to marijuana, marijuana, concentrate, or a bottle, can, package, wrapper, smoking device, cartridge, or other receptacle containing any marijuana or marijuana concentrate that is:
- (1) concealed on a passenger's person or in his personal property; or (2) stored in a trunk, luggage compartment, console out of reach of the driver, or similar location out of reach of the driver.
- (c) Any person violating this section shall be guilty of a <u>violation [petty misdemeanor]</u> and shall be fined no more than <u>\$130 [ \$2,000 or imprisoned no more than thirty days, or both]</u>. A person found responsible for a violation under this section may request, and shall be granted, a penalty of up to 10 hours of <u>community service in lieu of a fine.</u>
- 4. Per se DUI Provision. Remove the outrageous and unscientific per se "driving" under the influence" limit of 10 nanograms per milliliter of THC for adults and medical patients and any trace amount for those under 21. Due to significant variations among individuals in THC levels at times of impairment, particularly between regular consumers and novice users, this will criminalize patients and other sober drivers long after impairment wears off. As a draft report by the National Highway Traffic Safety Administration (NHTSA) dated February 2024 explained, "Several states have determined legal per se definitions of cannabis impairment, but relatively little research supports their relationship to crash ... Unlike the research consensus that establishes a clear correlation between [blood alcohol content] and crash risk, drug concentration in blood does not correlate to driving impairment."6 It would also make it difficult to convict cannabis-impaired drivers testing below the threshold. Rather than criminalizing sober drivers. Hawai'i should invest in more DRE and ARIDE-trained officers. It should also have a robust public education campaign on the dangers and illegality of impaired driving.

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<sup>&</sup>lt;sup>6</sup> See: https://www.marijuanamoment.net/federal-agency-says-theres-little-research-supporting-marijuanadriving-impairment-tests-based-on-thc-concentration/

The per se and the zero tolerance provision are unjust, unscientific, and need to be removed.

Delete SD 2's Sections 7-17. Include funding for DRE and ARIDE training, plus public education on the dangers and illegality of impaired driving.

- 5. SB 3335 Restricts Medical Patients' Protections. SD 2 added some vital protections to prevent cannabis consumers' lives from being ruined over cannabis. However, it did not restore existing protections for medical cannabis, which are removed by SB 3335. These need to be restored or legalization will legalize discrimination against medical cannabis patients in housing, child custody, and education, which is currently prohibited by § 329-125.5.
  - § A-41 also adds new onerous restrictions on medical cannabis that do not apply to other medicines. Those must also go.

Revise SD 2's § A-41 to restore protections and remove new restrictions, such as:

- §A-41 Possession of cannabis for medical use. ...
- (d) [All cannabis shall be stored in a sealed child-resistant and resealable packaging with original labels and not easily accessible to any person under the age of twenty-one unless that person is a medical cannabis patient.] No school shall refuse to enroll or otherwise penalize, and no landlord shall refuse to lease property to or otherwise penalize, a person solely for the person's status as a qualifying patient or primary caregiver in the medical cannabis program under this part, unless failing to do so would cause the school or landlord to lose a monetary or licensing-related benefit under federal law or regulation; provided that the qualifying patient or primary caregiver strictly complied with the requirements of this part; provided further that the qualifying patient or primary caregiver shall present a medical cannabis registry card or certificate and photo identification, to ensure that the qualifying patient or primary caregiver is validly registered.
- (e) [All cannabis shall be transported in a sealed container, shall not be visible to the public, and shall not be removed from its sealed container or consumed or used in any way while in a public place or vehicle.] No qualifying patient or primary caregiver under this part shall be denied custody of, visitation with, or parenting time with a minor, and there shall be no presumption of neglect or child endangerment, for conduct allowed under this part; provided that this subsection shall not apply if the qualifying patient's or primary caregiver's conduct created a danger to the safety of the minor, as established by a preponderance of the evidence.
- (f) [The medical use of cannabis alone shall not disqualify a person from any needed medical procedure or treatment, including organ and tissue transplants, unless in the judgment of the health care provider the use of

cannabis increases the risk for a bad outcome from the procedure or treatment.] For the purposes of medical care, including organ transplants, a registered qualifying patient's use of cannabis in compliance with this part shall be considered the equivalent of the use of any other medication under the direction of a physician and shall not constitute the use of an illicit substance or otherwise disqualify a registered qualifying patient from medical care.

**6. Expand and clarify expungement and resentencing**. Clarify and expand language for the creation of a state-initiated expungement and re-sentencing process. Justice is not simply achieved through legalization, but by also undoing the harms caused by the criminalization of cannabis.

According to a recent report by the Attorney General's office, there are currently over 50,000 arrests and 10,000 convictions currently in the system for low-level cannabis related offenses in Hawai'i. Undoubtedly, the total number of persons affected by cannabis prohibitions policies in Hawai'i are significantly higher.

- This is why clearing people's records of cannabis related arrests and convictions through a state-initiated process is a necessary addition to this legalization measure.
- The current draft requires a report by late 2026 or early 2027 on "advisability of expunging or sealing low-level criminal offenses related to marijuana, a recommendation or sealing low level criminal offenses and records should be expunged or sealed, if any and the best mechanism for expunging and sealing records without causing undue burden on the judiciary, the department of the attorney general, or any administrative agency." This statutory language is extremely watered down and falls short of other state's cannabis legalization laws that include expungement.

Last year, the Senate overwhelmingly passed SB 669, which included a specific process for state-initiated expungement. SD 2's vague language includes no such process and is a significant step backwards on expungement. SB 669 originated in and was approved by the Senate and includes language from the Dual Use Cannabis Task Force Report's recommendations.

See SB 669, SD 3, Section 3 §706, which includes;

<sup>&</sup>lt;sup>7</sup> "Report Regarding the Final Draft Bill Entitled 'Relating to Cannabis.' Hawaii State Department of the Attorney General, January, 2024: <a href="https://ag.hawaii.gov/wp-content/uploads/2024/01/REPORT-REGARDING-THE-FINAL-DRAFT-BILL-ENTITLED-RELATING-TO-CANNABIS-PREPARED-BY-THE-DEPARTMENT-OF-THE-ATTORNEY-GENERAL-dated-January-5-2024.pdf">https://ag.hawaii.gov/wp-content/uploads/2024/01/REPORT-REGARDING-THE-FINAL-DRAFT-BILL-ENTITLED-RELATING-TO-CANNABIS-PREPARED-BY-THE-DEPARTMENT-OF-THE-ATTORNEY-GENERAL-dated-January-5-2024.pdf</a>

- (2) No later than December 31, 2025, the attorney general, in collaboration with the judiciary and county prosecuting attorneys, shall determine the offenses that meet the criteria for expungement set forth in subsection (1). The county prosecuting attorneys shall issue a written notice to persons with records that qualify for expungement under subsection (1). Once offenses have been identified, but no later than January 1, 2026, the attorney general (in cases of an arrest for or charge with but not a conviction of a crime) and the appropriate court of record (in cases of conviction and pursuant to procedures established by the judiciary) shall order the automatic expungement of the records relating to the arrest, criminal charge, or conviction, as appropriate.
- (3) A person convicted for an offense under chapter 329, part IV of chapter 712, or any other offense, the basis of which is an act permitted by chapter A or decriminalized under Act , Session Laws of Hawaii 2023, including the possession or distribution of marijuana, shall have the right to petition at any time and without limitation to the number of petitions a convicted person may file, with the appropriate court of record for review and adjustment of the sentence.
- 7. Social Equity Licensing: Mandate the issuance of a significant number of small and social equity licenses in the first licensing round. Based on extrapolations from a market demand study in Maryland and the small cultivation canopy limit in the bill, there should be at least 100 growers, 60 manufacturers, and 60 retail stores. At least half of each should be reserved for social equity applicants.

Add the following new section to SD 2, and make conforming changes as needed to rulemaking.

- (a) No later than 18 months after the effective date of this chapter, the authority shall make available applications for cannabis business licensure.
- (b) Each license shall be granted, issued a conditional approval, or denied within 120 days of its submission.
- (c) No later than 24 months after the effective date of this chapter, the authority shall issue no fewer than the following number of licenses:
  - (1) 30 retail cannabis store licenses, at least 15 of which must be issued to social equity applicants;
  - (2) 100 cannabis cultivator licenses, at least 50 of which must be issued to social equity applicants; and
  - (3) 60 cannabis processor licenses, at least 30 of which must be issued to social equity applicants.
- (d) Applicants may apply for conditional approval if they have not purchased or leased the property where their cannabis business would be located. If the applicant is otherwise qualified for licensure, the authority shall provide conditional approval. Once the applicant provides the authority with a completed, supplemental application that includes the premises, the authority shall approve or reject the final application within 45 days.

- (e) No later than 48 months after the effective date of this chapter, and at least every year thereafter, the authority shall consider whether to increase the number of licenses of each type issued, with goals of avoiding an oversupply, avoiding an undersupply, providing reasonable prices and accessibility, and promoting small businesses, social equity operators, and individuals' transition from the legacy market to the regulated market.
- (f) The authority shall re-open the application period at least once every year if the number of outstanding licenses fall.
- **8.** Reallocate funding to focus on equity and justice. Reduce or remove the excessive allocations to law enforcement. Includes allocations to social equity and community reinvestment to at least 50% of the excise tax and provide funding for the general fund.

SB 3335's several distinct funds were combined into two funds, with each getting 50% of the excise tax revenue. The social equity fund was combined with public education and public safety grants, allowing for the possibility that little or no funding will make it to equity. Non-equity funds (which include cannabis enforcement) should not be commingled with equity funds, allowing for funding to be siphoned off from reparative justice. In addition, a significant amount of revenue should be reserved for the general fund to address the state's needs.

## §A-19, replace with:

Cannabis social equity special fund; established. (a) There shall be created in the treasury of the State the cannabis social equity special fund to be administered and expended by the authority.

- (b) The moneys in the cannabis social equity special fund shall be used, subject to appropriation, for the implementation and administration of the social equity program as provided in part IX.
- © The following shall be deposited into the cannabis social equity special fund:
- (1) The tax collected pursuant to section 237-13(9)(B);
- (2) Appropriations made by the legislature to the special fund;
- (3) Interest earned or accrued on moneys in the special fund; and
- (4) Contributions, grants, endowments, or gifts in cash or otherwise from any source, including licensed businesses.
- (d) Moneys on balance in the cannabis social equity special fund at the close of each fiscal year shall remain in the special fund and shall not lapse to the credit of the general fund.
- §B-7 Disposition of revenues. The tax collected pursuant to this chapter shall be paid into the state treasury as a state realization to be kept and accounted for as provided by law; provided that revenues collected under this chapter shall be distributed in the following priority:

- (1) <u>Fifty-five</u> [<del>Fifty</del>] per cent of the tax collected shall be deposited into the general fund; [cannabis regulation, nuisance abatement, and law enforcement special fund established by section A-18; and ]
- (2) Fifty per cent of the tax collected shall be deposited into the cannabis social equity[, public health and education, and public safety] special fund established by section A-19;
- (3) two and a half percent for grants to train and certify state and county law enforcement officers as drug recognition experts for detecting, identifying, and apprehending individuals operating a vehicle under the influence of an intoxicant or otherwise impaired; and
- (4) two and a half percent for a public education campaign on the dangers of impaired driving.
- 9. Law Enforcement Staffing Largesse. As introduced, SB 3335 created a total of 25 new cannabis law enforcement and positions between the DLE and AG. These have been blanked out as TBD. Legalization should *reduce* the amount of cannabis-related law enforcement by moving most cannabis-related conduct to the legal market, not increase it. Other states have not included this degree of increase in cannabis-related law enforcement as part of legalization.
  - Colorado's comprehensive 2021 Department of Justice report on legalization<sup>8</sup>, starting at p. 19 notes the following:
  - The total number of marijuana arrests decreased by 68% between 2012 and 2019, from 13,225 to 4,290
  - Marijuana sales arrests decreased by 56%, while arrests for marijuana production increased slightly (+3%)." [Colorado was the first legal state in the nation, so you could expect more issues in that context given the massive demand from the other 48 states.]
  - Similarly, "The number of marijuana-related case filings declined 55% between 2012 and 2019, from 9,925 to 4,489 (Table 6)"
  - Regarding Illegal Cultivation on Public Lands, "The number of growing operations and plants seized shows no discernible trend"

Therefore, strike sections 58, 59, 61, and 62.

**10. Cannabis Odor as Pretext for Searches.** Add protections to clarify that the odor of cannabis, on its own, and possession of a legal amount does not establish probable cause for a warrantless search.

[new section] Odor and personal possession of cannabis not grounds for a search.

(a) Except as provided in this section, the odor of cannabis or burnt cannabis, or the possession of a quantity of cannabis that the officer does not have

<sup>&</sup>lt;sup>8</sup> https://cdpsdocs.state.co.us/ors/docs/reports/2021-SB13-283\_Rpt.pdf

probable cause to believe exceeds the possession limit, shall not constitute in part or in whole probable cause or reasonable suspicion and shall not be used as a basis to support any stop or search of a person, a property, or a motor vehicle.

- (b) Nothing in this section prevents a law enforcement official from conducting a test for impairment based in part on the odor of recently burnt cannabis if the law enforcement official would otherwise be permitted to do so under law. (c) As used in this section, "possession limit" means:
- (1) one ounce of cannabis flower and up to five grams of tetrahydrocannabinol contained within adult-use cannabis products; and (2) within a person's private residence only, up to ten ounces of adult-use cannabis produced by their personal cultivation of cannabis; provided that no more than two pounds of cannabis in total, shall be stored at any private residence, regardless of the number of people residing there.
- **11.Storage.** Remove the requirement that cannabis must always be stored in a sealed container, which applies even if adults live alone with no minors in the household. Remove the new requirement requiring the same for medical cannabis patients.

**Strike §A-51** [(b)-All adult-use cannabis shall be stored in a sealed child-resistant and resealable packaging with original labels and not easily accessible to any person under the age of twenty-one.]

Or at least revise it to:

**Strike §A-51** (b) All adult-use cannabis shall be stored in a <u>manner that is</u> [ sealed child-resistant and resealable packaging with original labels and] not easily accessible to any person under the age of twenty-one.]

If this is not stricken, the penalty should be reduced to a maximum \$130 civil fine, or — at the discretion of the defendant — an equivalent amount of community service hours.

The restriction needs to be stricken from medical cannabis. &A-41

- (d) All cannabis shall be stored in a sealed child-resistant and resealable packaging with original labels and not easily accessible to any person under the age of twenty-one unless that person is a medical cannabis patient.
- **12.Consumption Restrictions.** Remove the ban on any consumption of cannabis in a public place or a vehicle, which would apply even to those using cannabis medicinally in a parked vehicle. Imposing a civil fine for public smoking would be more appropriate.

Strike SD 2's §A-51 (c)

(c) [All adult-use cannabis shall be transported in a sealed container, shall not be visible to the public, and shall not be removed from its sealed container or consumed or used in any way while in a public place or vehicle.]

Strike SD 2's §A-41 (e) §A-41

(e) All cannabis shall be transported in a sealed container, shall not be visible to the public, and shall not be removed from its sealed container or consumed or used in any way while in a public place or vehicle.

The following could be added instead to address public smoking. It is important to have an actual penalty specified.

Section xx. Public smoking prohibited, penalty.

- (a) It is unlawful to smoke cannabis in a public place.
- (b) It is unlawful to smoke cannabis in a location where tobacco smoking is prohibited pursuant to HRS Chapter 328J.
- (c) A person who violates this section is guilty of a violation punishable by a fine of up to \$130. The person may request, and shall be granted, a penalty of up to 10 hours of community service in lieu of a fine.
- 13. Cannabis Authority Composition. Replace the unpaid, part-time board, and instead empower an agency head and flesh out the advisory board. Appointments should be divided between the governor, Senate president, and speaker. To ensure they are committed to their mission, the executive director, chief officers, and appointees to the board must not have previously opposed legalization. In addition, law enforcement and former law enforcement should not be on the board if there is a board.

Recommended changes. Remove all references to the board (A-12). Reassign duties to the executive director. Revise the advisory board section as follows:

- §A-11 Hawaii cannabis authority; established. (a) There shall be established the Hawaii cannabis authority, which shall be a public body corporate and politic and an instrumentality and agency of the State for the purpose of implementing this chapter. [The authority shall be governed by the cannabis control board.] The authority shall be placed within the department of commerce and consumer affairs for administrative purposes only. The department of commerce and consumer affairs shall not direct or exert authority over the day-to-day operations or functions of the authority.
- (b) The authority shall exercise its authority [, other than powers and duties specifically granted to the board,] by and through the executive

- director. The executive director shall be appointed by the <u>governor with</u> the advice and consent of the Senate [board without regard to chapter 76 or section 26-35(a)(4)] and serve at the pleasure of the <u>governor</u> [board]. The executive director shall have expertise and training in the field of cannabis regulation or public health administration.
- (c) At a minimum, the staff of the authority shall consist of one full-time executive secretary to the executive director, one full-time chief financial officer, one full-time chief equity officer, one full-time general counsel, one full-time chief public health and environmental officer, one full-time chief technology officer, and one full-time chief compliance officer, each of whom shall be exempt from chapter 76 and section 26-35(a)(4) and serve at the pleasure of the executive director.
- (d) The executive director, chief financial officer, chief equity officer, general counsel, chief public health and environmental officer, chief technology officer, and chief compliance officer must support the mission of legalizing and regulating cannabis and must not have publicly opposed the legalization and regulation of cannabis since at least 2019.
- §A-14 Cannabis control implementation advisory committee; members; organization. (a) There shall be established the cannabis control implementation advisory committee that shall advise and assist the board in developing or revising proposed laws and rules to carry out and effectuate the purposes of this chapter. The cannabis control implementation advisory committee shall be placed within the department of commerce and consumer affairs for administrative purposes only.
- (b) The cannabis control implementation advisory committee shall consist of fifteen members, with five members to be appointed by each the governor, the Senate president, and the speaker. Members of the board must support the mission of legalizing and regulating cannabis. Members shall include: one expert in public health: one physician who is knowledgeable about the risks and benefits of cannabis; at least one registered medical cannabis patient; at least one individual who represents cannabis consumers; four individuals with backgrounds in the cannabis industry, at least one of whom has a background in each cannabis cultivation, cannabis retailing, cannabis product manufacturing, and cannabis testing, and at least two of whom qualify as social equity applicants; at least one individual with background in civil rights advocacy: at least one individual with background security; one individual with expertise in environmental sustainability; one attorney with experience in cannabis policy or providing legal services related to cannabis; and an attorney designated by the office of the Attorney General to advise the taskforce.
- (c) Members of the cannabis control implementation advisory committee shall serve without compensation but shall be reimbursed for

expenses, including travel expenses, necessary for the performance of their duties.

- (d) A majority of the members of the cannabis control implementation advisory committee present and voting shall constitute a quorum to conduct business, and the concurrence of a majority of all members present shall be necessary to make any action of the committee valid.
- (e) No member of the cannabis control implementation advisory committee shall be subject to chapter 84 solely because of the member's service on the committee.
- (f) The cannabis control implementation advisory committee shall be dissolved on December 31, 2025.
- **14. Ensuring Prompt Implementation.** It would be advisable to impose reasonably swift deadlines on the authority to accept applications and issue licenses. Several other states have been able to move quickly, enabling them to promptly benefit from new tax revenue and the benefits of legal regulation. For example, Maryland, Nevada, and Oregon all had legal sales begin less than six months after their laws' passage.

In closing, mahalo for the opportunity to testify and for consideration of these proposed amendments to ensure a cannabis legalization regulatory system rooted in justice and equity.

Sincerely,

### Carrie Ann Shirota

Carrie Ann Shirota
Policy Director
ACLU of Hawai'i
cshirota@acluhawaii.org

The mission of the ACLU of Hawai'i is to protect the fundamental freedoms enshrined in the U.S. and State Constitutions. The ACLU of Hawai'i fulfills this through legislative, litigation, and public education programs statewide. The ACLU of Hawai'i is a non-partisan and private non-profit organization that provides its services at no cost to the public and does not accept government funds. The ACLU of Hawai'i has been serving Hawai'i for over 50 years.

# LEGISLATIVE TAX BILL SERVICE

# TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: ADMINISTRATION, INCOME, GENERAL EXCISE, TOBACCO,

MISCELLANEOUS, Legalize and Tax Adult-Use Cannabis

BILL NUMBER: SB 3335 SD 2

INTRODUCED BY: Senate Committees on Commerce and Consumer Protection and Ways and

Means

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

SYNOPSIS: As it relates to taxation:

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

New section B-2 requires a retail seller of cannabis to obtain a permit from the Department of Taxation. Permits last for one year and cost \$25.

New section B-3 imposes tax of 14% of the gross proceeds of retail sales of cannabis, not including medical cannabis; imposes tax of 4% of the gross proceeds of retail sales of medical cannabis. No tax (under this chapter) applies to wholesale sales.

New section B-7 provides that proceeds of the tax are split between two different special funds that are created by the bill:

- (1) 50% to the cannabis regulation, nuisance abatement, and law enforcement special fund established by section A-18; and
- (2) 50% to the cannabis social equity, public health and education, and public safety special fund established by section A-19.

New section B-10 states that the tax imposed by this chapter, unless expressly prohibited, shall be in addition to any other tax imposed.

Amends section 231-8.5, HRS, to allow the Department of Taxation to require electronic filings of all returns made by taxpayers subject to chapter B.

Amends section 235-2.4, HRS, to provide that section 280E of the Internal Revenue Code, which disallows as a deduction any expenses associated with the illegal sale of drugs, is not operative in

Re: SB 3335 SD 2

Page 2

Hawaii with respect to the cultivation, processing, and sale of cannabis by cannabis businesses licensed or permitted under chapter A (the Hawaii Cannabis Law added by the bill).

Amends section 237-24.3, HRS, to add a new exemption for amounts received from: (A) Sales of cannabis, whether made at retail or wholesale; (B) Sales of medical cannabis; and (C) Taxes on the retail sale of cannabis or sale of medical cannabis imposed by chapter B and passed on and collected by persons holding permits under that chapter.

Amends section 245-1, HRS, to exclude from the definition of "e-liquid" any cannabis, cannabis products, or cannabis accessories authorized under chapter A.

Makes conforming amendments.

EFFECTIVE DATE: December 31, 2050; provided that: (1) Sections A-51 through A-53, Hawaii Revised Statutes of section 2 of this Act shall take effect on January 1, 2026; and (2) Amendments made to section 291E-61, Hawaii Revised Statutes, by section 16 of this Act and 291E-61.5, Hawaii Revised Statutes, by section 17 of this Act shall not be repealed when those sections are reenacted on June 30, 2028.

#### STAFF COMMENTS:

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

This bill creates two new special funds. One is to be administered by the new cannabis authority, and the other by the Department of Law Enforcement. We do not understand why the special funds are needed. The revenue brought in by government should be overseen by the legislature by way of the appropriations process. If the intent is for the levy on recreational cannabis sales to be self-adjusting to cover their own costs of enforcement, which is how DCCA is structured in theory, then the bill should be reworked to impose a user fee rather than a tax.

### **Need for New Tax Chapter**

The bill creates a new tax chapter, chapter B, only to tax cannabis sales. It exempts sales of medical and recreational cannabis from the General Excise Tax Law. We believe that it would be far more efficient to delete the new tax chapter and attach any new and unique provisions, such as the permitting provisions, to the GET Law. That way, the machinery to report, audit, and collect the tax is already in place, there would be no need to re-invent any wheels, and the likelihood of inconsistencies would be lessened.

Digested: 3/9/2024



P.O. Box 21824 • Washington, DC 20009 202-462-5747 • www.mpp.org

March 11, 2024

### SB 3335, SD2 Comments

Re: Strongly urging amendments to SB 3335, SD2, and urging passage if it is amended

Aloha Chairs Tarnas and Gates, Vice Chairs Takayama and Kahaloa, and distinguished members of the Judiciary & Hawaiian Affairs and Agriculture & Food Systems committees.

My name is Karen O'Keefe. I am the director of state policies for the Marijuana Policy Project (MPP), the largest cannabis policy reform organization in the nation. I am an attorney who has worked on cannabis policy at MPP since 2003. MPP has played a leading role in most of the major cannabis policy reforms over the past two decades, including 15 adult-use legalization laws. For the past year, I have had the pleasure of working with a coalition of Hawai'i advocates as part of the Hawai'i Alliance for Cannabis Reform.

I am writing to urge you to amend and then pass SB 3335, SD2. While cannabis legalization is an essential criminal justice reform, SB 3335, SD2 takes an overly punitive approach and fails to include a sufficient commitment to equity. Alarmingly, the bill could result in *more* people being ensnared in the criminal justice system for cannabis instead of less. After some remarks on legalization and rebuttals to some prohibitionists' claims, I will return to more details about revisions that are needed to SB 3335, SD2.

# I. Hawai'i should legalize and regulate cannabis for adults, with a focus on equity and justice.

I urge you to listen to Hawai'i voters<sup>1</sup> and legalize and regulate cannabis for adults 21 and older. Cannabis is safer than alcohol,<sup>2</sup> tobacco,<sup>3</sup> and some medications.<sup>4</sup> Adults should not be penalized for using a less harmful substance.

 $<sup>^{1}</sup>$  Although it is no longer visible to the public without a fee, as of mid-2023, Civiqs polling found 73% of Hawaii residents support legalization.

<sup>&</sup>lt;sup>2</sup> See: <a href="https://www.mpp.org/special/marijuana-is-safer/">https://www.mpp.org/special/marijuana-is-safer/</a> The chronic health effects of alcohol are responsible for more than 80,000 U.S. deaths per year, while cannabis has not been shown to increase all-cause mortality. (CDC, Annual Average for United States 2015-2019 Alcohol-Attributable Deaths Due to Excessive Alcohol Use, Muhuri PK, Gfroerer JC. Mortality associated with illegal drug use among adults in the United States. American Journal of Drug and Alcohol Abuse. 2011;37(3):155–164

<sup>&</sup>lt;sup>3</sup> Tobacco is responsible for more than 480,000 U.S. deaths per year, while cannabis is not known to increase all-cause mortality and has not been shown to cause lung cancer. "Health Effects of Cigarette Smoking," CDC; , Muhuri PK, Gfroerer JC. Mortality associated with illegal drug use among adults in the United States. American Journal of Drug and Alcohol Abuse. 2011;37(3):155–164

<sup>&</sup>lt;sup>4</sup> While prescription opiates cause 15,000 deaths per year, suspected cases of fatal cannabis overdoses are vanishingly rare. "Drug Overdose Death Rates," National Institute on Drug Abuse, accessed Feb. 11, 2024.

Like our country's "Noble Experiment" with alcohol prohibition a century ago, cannabis prohibition has been a harmful failure. It tears apart families, stigmatizes individuals with life-altering criminal records, and results in hundreds of traumatic arrests every year. Cannabis prohibition also drives sales underground, putting everyone involved at risk. On the illicit market, buyers and sellers alike are vulnerable to robbery and attacks. In an underground economy, workers face exploitation and abuse.

To what end? Despite more than eight decades of cannabis prohibition, half of Americans have used cannabis. Those whose lives were derailed by arrests and criminal records are arbitrary at best. Worse, the data shows who is arrested and prosecuted is marked by racial disparities. 6

Legalization dramatically reduces the number of arrests and convictions.<sup>7</sup> Only legalization allows for control to protect workers and the environment and to foster public health and safety. Only in the context of legalization can the state require lab testing and move most sales into regulated establishments that check IDs.

More than half of Americans already live in the 24 states and three U.S. territories where cannabis is legal. The first of these laws have been in effect for over a decade, and support has increased, not decreased. That's because voters see the sky hasn't fallen.

Cannabis legalization increases freedom, generates economic activity and taxes, allows for health and safety protections, and reduces hypocrisy. It is time for Hawaii's cannabis policy to join the 21st century.

#### II. Many prohibitionists' claims are untethered to reality.

In their attempt to derail legalization, opponents have made several claims that are not backed up by the data. In reality:

#### • Teen cannabis use has dropped since legalization in legal states.

Many opponents' claims are premised on the idea that youth cannabis use will increase post-legalization. In all U.S. states and territories, legalization only applies to adults 21 and older.

<sup>&</sup>lt;sup>5</sup> Justin McCarthy, "Fully Half of Americans Have Tried Marijuana," Gallup, August 10, 2023.

<sup>&</sup>lt;sup>6</sup> American Civil Liberties Union (ACLU), "A Tale of Two Countries: Racially Targeted Arrests in the Era of Marijuana Reform," 2020. Available at https://ucr.fbi.gov/crime-in-the-u.s/2019/crime-in-the-u.s.-2019/topic-pages/persons-arrested.

<sup>&</sup>lt;sup>7</sup> See: "Impacts of Marijuana Legalization in Colorado, "Colorado Department of Public Safety Division of Criminal Justice Office of Research and Statistics July 2021; Gunadi C, Shi Y. Association of Recreational Cannabis Legalization With Cannabis Possession Arrest Rates in the US. JAMA Netw Open. 2022 Dec 1;5(12):e2244922. doi: 10.1001/jamanetworkopen.2022.44922. PMID: 36469319; PMCID: PMC9855298.

A decade of before-and-after data has shown that adolescents' marijuana use has <u>not</u> increased in legal states.<sup>8</sup> As National Institute on Drug Abuse Director Nora Volkow testified at a March 23, 2022, Senate Health, Education, Labor, & Pensions Committee hearing, "in the United States, legalization by some states of marijuana has not been associated with an increase in adolescents' marijuana use."

Since then, more recent CDC data came out showing teen use has *decreased* in almost all legal states.<sup>9</sup>

#### • There has not been an increase in psychosis in legal states.

There may be some mental health risks related to cannabis use, particularly for those predisposed to psychiatric disorders. However, *legalization* does not appear to have any negative impact. Research shows that "compared with no legalization policy, states with legalization policies experienced no statistically significant increase in rates of psychosis-related diagnoses or prescribed antipsychotics."

Education, product labeling, and sensible regulations — not handcuffs, jail cells, and driving cannabis underground — are the most compassionate and productive ways to address cannabis' risks. Patients are much more likely to have an honest conversation with their physicians in the context of legalization, allowing their medical providers the opportunity to counsel patients.

#### Tourism from Japan is up post-legalization.

Honolulu prosecutor Steve Alm claimed "Japanese tourists will stop coming to Hawaii. Full stop." This is not rooted in any data and is in fact contrary to the data.

Visit California data shows trips from Japan went up, not down, post-legalization. There were 537,000 visits from Japan to California in 2015, the year before legalization. That increased to 555,000 in 2019. (Beginning in 2020, tourism crashed due to COVID.)

#### Fatal crashes are down in legalization states.

<sup>&</sup>lt;sup>8</sup> See: Anderson, Mark D., et al. "Association of Marijuana Legalization With Marijuana Use Among US High School Students, 1993-2019", September 2021.

 $<sup>^{9}</sup>$  For the most recent data, see: https://www.mpp.org/issues/legalization/teen-marijuana-use-does-not-increase/

<sup>&</sup>lt;sup>10</sup> https://www.cnn.com/2024/02/08/opinions/marijuana-cannabis-psychosis-nathan-grinspoon

<sup>&</sup>lt;sup>11</sup> Elser H, Humphreys K, Kiang MV, et al. State Cannabis Legalization and Psychosis-Related Health Care Utilization. JAMA Netw Open. 2023;6(1):e2252689. doi:10.1001/jamanetworkopen.2022.52689

<sup>&</sup>lt;sup>12</sup> https://www.staradvertiser.com/2023/10/08/editorial/island-voices/column-legalizing-marijuana-will-cause-harm/

<sup>&</sup>lt;sup>13</sup> Available at <a href="https://industry.visitcalifornia.com/research/travel-forecast">https://industry.visitcalifornia.com/research/travel-forecast</a> (international market forecasts, unhide columns C-L)

Opponents claim road safety will decrease with legalization. Many claims rely on a few studies indicating more drivers testing positive for cannabis post-legalization, ignoring the lack of baseline data, that testing positive for THC does not mean a person is impaired or has used cannabis recently, and the fact that legalization is coupled with an increase in reporting and in trained drug recognition experts.

There have been contradictory studies on whether legalization *correlates* (which is very different from causation) with increased crashes. Almost all of the studies cherry-pick an incomplete number of states. If you examine before-and-after data of *all* the FARS data in legalization states, you will see a decrease (as a whole) in road fatalities post-legalization.<sup>14</sup>

Those who would ignore DUI laws post-legalization are already doing so.

## III. SB 3335, SD2 needs significant revisions to foster equity and avoid creating Prohibition 2.0.

While MPP strongly supports legalization, SB 3335, SD2 requires significant revisions to avoid going backwards by re-criminalizing innocuous conduct and excessively ramping up cannabis enforcement. Legalization should be rooted in equity and restorative justice, not an excessively punitive approach.

Under current Hawai'i law, possession of up to three grams is a civil offense. <sup>15</sup> SB 3335, SD2 would go backwards, imposing possible jail time and criminal convictions for conduct that is currently a civil violation.

SB 3335, SD2 creates an over-broad open container law and requires "strict compliance" for exceptions from harsh criminal penalties. It re-criminalizes those under 21 who possess cannabis and criminalizes sober drivers — including medical patients — for modest amounts of THC long after impairment wears off. It may actually result in *more* cannabis consumers getting criminal convictions and jail time for conduct that does not put anyone in danger. These troubling provisions must be removed.

## A. The per se and zero tolerance "DUI" limits must go. They will ensuare sober drivers long after impairment wears off.

SD1 changed SB 3335's "per se" limit for DUI from five nanograms of THC per milliliter of blood to 10 nanograms (Sections 7-10). While this is a higher threshold than the introduced bill, it remains unscientific and will ensnare sober drivers, many of whom are patients. It will also make it more difficult to obtain a conviction for those below that threshold. For those under 21, SD2 has a zero tolerance level, which deems young adults

<sup>&</sup>lt;sup>14</sup> https://www.nhtsa.gov/research-data/fatality-analysis-reporting-system-fars

<sup>&</sup>lt;sup>15</sup> H.R.S. 712-1249 (2)

<sup>&</sup>lt;sup>16</sup> See, "THC per se laws don't work and are not needed" <a href="https://wesavelives.org/thc-per-se-laws-dont-work-and-are-not-needed-theres-a-better-way/">https://wesavelives.org/thc-per-se-laws-dont-work-and-are-not-needed-theres-a-better-way/</a> (discusses Colorado data)

impaired drivers for having trace amounts of THC in their system, which can occur *days* or even over a week after last using cannabis.<sup>17</sup>

The per se and the zero tolerance provision are unjust and need to be removed.

As a study by AAA Foundation for Traffic Safety found, "All of the candidate THC concentration thresholds examined [which included 10 ng/mL] would have misclassified a substantial number of driver as impaired who did not demonstrate impairment on the SFST, and would have misclassified a substantial number of drivers as unimpaired who did demonstrate impairment on the SFST." 18

Similarly, an expert commission in Michigan concluded there is no scientifically supported  $\Delta 9$ -THC threshold, 19 " $\Delta 9$ -THC can fail to detect impaired drivers (when blood levels are low and impairment is high). It can also inappropriately flag unimpaired drivers or chronic users whose blood levels are higher in general (see section on behavioral effects of  $\Delta 9$ -THC) even when not impaired."

Per se laws are all the more unfair because it is impossible for individuals to know if they are above or below the threshold and can legally drive. Those who imbibe alcohol can use simple calculations to determine if they are legal to drive based on weight, the number of drinks, and time passed<sup>20</sup> or they can buy their own BAC tests for \$40.<sup>21</sup> There is no such calculation or affordable and reusable test for blood THC levels. And even if there were, THC levels can increase after abstinence, including after exercise.<sup>22</sup>

Rather than criminalizing sober drivers, Hawai'i should invest in more DRE and ARIDE-trained officers. SD2 allows some public safety grants to be used for those purposes, but has no guaranteed funding for them. It should also create a robust public education campaign on the dangers and illegality of impaired driving.

## B. SD2 includes alarming re-criminalization and a "strict compliance" standard. Those must be removed to avoid creating prohibition 2.0.

Any technical violation should carry a modest civil penalty, with optional community service, not jail time.

<sup>&</sup>lt;sup>17</sup> Yuan Wei Peng, Ediriweera Desapriya, Herbert Chan, Jeffrey R Brubacher, "Residual blood THC levels in frequent cannabis users after over four hours of abstinence: A systematic review.", Drug and Alcohol Dependence, Volume 216, 2020, 108177, ISSN 0376-8716,

www.sciencedirect.com/science/article/abs/pii/S0376871620303422

 $<sup>^{\</sup>rm 18}$  "An Evaluation of Data from Drivers Arrested for Driving Under the Influence in Relation to Per se Limits for Cannabis," AAA Foundation for Traffic Safety, May 2016

<sup>&</sup>lt;sup>19</sup> "Report from the Impaired Driving Safety Commission," March 2019.

<sup>&</sup>lt;sup>20</sup> https://www.calculator.net/bac-calculator.html

 $<sup>^{21}\,</sup>See: https://www.amazon.com/BACtrack-Keychain-Breathalyzer-Portable$ 

 $Keyring/dp/B00LV0U27U/ref=zg\_bs\_g\_15992781\_d\_sccl\_3/144-4587621-0847464?psc=1$ 

<sup>&</sup>lt;sup>22</sup> See: David Rudoi, "New Study Shows THC Levels Often Spike Well into Periods of Abstinence," Jan 9, 2012 https://rudoilaw.com/new-study-shows-thc-levels-often-spike-well-into-periods-of-abstinence/

• The "open container" language re-criminalizes conduct that is currently punishable by a \$130 fine. It must be removed or revised.

SB 3335 and SD2 impose up to 30 days in jail and/or a fine of up to \$2,000 for a driver or passenger who possesses in the passenger area a cannabis package that has *ever* been opened or its seal broken, loose cannabis, or any pipe. (Section 6, "§291) This is extreme.

Unlike alcohol, cannabis is a medicine for many, making this broad prohibition particularly inappropriate. Hawai'i does not criminalize containers that have ever been opened of any other medicine. Patients need to carry their medicine with them and may need to use their medicine in a parked car when they arrive at their destination due to restrictions on where they can use it, including schools, medical facilities, and daycare. Moreover, a container of cannabis edibles and flower often has 10 or more servings which patients and consumers use over many days or weeks. This is not the case for bottles of alcohol or cans of beer, which are often consumed in one sitting.

If there must be an open container law, it needs to:

- exempt medical cannabis,
- impose a violation/fine no greater than the current penalty (\$130 or equivalent community service),
- specify where cannabis can be legally stored in a vehicle with no trunk/where the entire vehicle is a passenger area, and
- exempt public transportation, rideshare passengers, taxis, limos, busses/shuttles, and areas of RVs other than the drivers' area.
- The "strict compliance" standard may result in misdemeanor and felony penalties for innocuous conduct.

Numerous provisions of SB 3335, SD2 prohibit relatively innocuous conduct. This includes:

- o requiring cannabis to be stored in "sealed child-resistant and resealable packaging with original labels," (§A-51)(c))
- o requiring cannabis to be cultivated out of public view (§A-42 (d)), and
- o prohibiting cannabis use even by non-smoked means in a public or a parked car, even if it is by a patient (§A-51)(c)), §A-41 (e)).

Most of those activities should not be prohibited at all. If they are prohibited, punishments should be modest civil fines, not criminal matters carrying serious jail time.

Alarmingly, SD2 only exempts those in "strict compliance." (§A-4 and throughout) It provides only an "affirmative defense" and says, "Actions that do not strictly comply with the requirements of this chapter and any rules adopted

thereunder shall be unlawful and subject to civil, criminal, or administrative procedures and penalties, or all of the above, as provided by law." (§A-4 (c))

SB 3335 should be revised to impose modest civil fines and/or community service for narrowly-crafted technical violations and activities like public smoking. This is what other states do.

Here are a few examples of the extreme, punitive nature of SD2:

- O A couple with arthritis who live alone store their 10 ounces of cannabis in a glass jar they can open instead of "sealed child-resistant and resealable packaging with original labels." If they call 9-1-1 for help after a fall and their cannabis is discovered, they may face a misdemeanor conviction, up to a year in jail, and/or a fine of up to \$2,000.
- An adult who grows cannabis that is slightly visible through a window, or who violates whatever technical rules regulators impose, may face felony penalties.
- The bill would criminalize and jail minors in possession.

While we have no objection to continue prohibiting the possession of cannabis by those under 21 to use cannabis (other than medical cannabis), SD2 *increases* penalties to impose up to 30 days in jail and a criminal record for simple possession by those 18-20. (Section 40, §712-1249 (2)) The current penalty is a \$130 civil fine. This *re*-criminalization is unacceptable.

A conviction, jail time, and even probation requirements can have a devastating impact. Probation meetings can be an insurmountable obstacle to those lacking transportation or with a conflict with their school or jobs. While SD2 provides these convictions are expungable, the public defender and Innocence Project testified in House Judiciary about how few people avail themselves of this onerous process. The conviction should not be imposed in the first place. A civil fine is far more reasonable.

These penalties need to be removed.

• The amount dedicated to reparative justice and equity is too low and commingled with enforcement. When blanks are filled in, the bill should not include excessive spending or law enforcement largesse. Funding should also accrue to the General Fund.

Cannabis regulation and enforcement should be covered by licensing fees, as is the case in many states. Yet, SD2 allocates 50% of excise taxes to a "cannabis regulation, nuisance abatement, and law enforcement special fund" on top of application and licensing fees. (§B-7) That percentage should be eliminated or

dramatically decreased to allow funds for the general fund and to increase social equity funding.

As introduced, SB 3335 would create a stunning 25 new enforcement positions, zero of which are tasked with state-initiated expungement and release. While this is currently blanked out, this should not be re-inserted. There should be *less*, not more cannabis enforcement post-legalization. Hawai'i has much more pressing needs than increasing cannabis enforcement.

#### C. SB 3335, SD2 guts medical non-discrimination provisions and adds burdens.

SB 3335, SD 2 § A-41 creates new burdens on medical cannabis patients, and guts their existing non-discrimination protections. It requires patients' cannabis to be stored in the original packaging (which makes no sense since home cultivated cannabis is not in packaging), and does not allow cannabis to be used in a parked vehicle or by non-smoked means in public. This is an extreme hardship to patients who need their medicine, sometimes for emergency relief.

It also repeals and does not replace § 329-125.5, which provides patients' protections from discrimination in schools, housing, and child custody, and adds restrictive language to their protections from discrimination in medical care. The original protections must be restored and the new, onerous restrictions in § A-41 must be removed.

## D. The bill should not put an unpaid, part-time board in charge of cannabis regulation.

People should get paid fairly for their work, especially for such important work to regulate a large industry. Having unpaid part-time workers make major decisions by committee — including rules, licensing, and hiring the executive director — will likely lead to delay, bad decision-making, a lack of accountability, and other issues. One cannot expect the same time commitment and mastery of issues of volunteers who have other full-time jobs.

The AG's report notes Massachusetts as an inspiration. However, Massachusetts does not attempt to have an unpaid board for such a weighty task. Massachusetts' commissioners are paid six-figure salaries for their work.<sup>23</sup> In addition, Massachusetts' commission has been plagued by controversy and serious allegations, leading to the resignation of the former chair.<sup>24</sup>

SD1 (and SD 2) reduced by one the number of possible board members, requiring only four. This would add a new complication as it would likely require 3-1 or 4-0

<sup>&</sup>lt;sup>23</sup> https://www.masslive.com/news/2017/08/marijuana\_in\_massachusetts\_her\_2.html

<sup>&</sup>lt;sup>24</sup> https://www.nbcboston.com/news/local/mass-cannabis-control-commission-leadership-fight/3209350/

votes to approve anything. If there must be a board, the number of members should be odd.

It is also vital that any board be composed of people with appropriate backgrounds and who are committed to the mandate of their work. No prohibitionists should be charged with overseeing legalization, or it will be a recipe for obstruction and delay.

## E. The social equity section provisions need to be strengthened, both related to allocations and licensing.

In SD1 and SD 2, the funds that were in SB 3335 are combined into two funds. Fifty percent of the revenue will be allocated to social equity, public education, *and* public safety grants. This creates the risk that *none* of the excise tax will be allocated to equity. Fifty percent of the excise revenue should go to social equity and reparative justice, and a significant amount should go to the general fund.

While many of the possible public safety grants' areas have a focus that is rooted in reparative justice and uplifting communities, the possible uses of the public safety fund include: "grants to state and county law enforcement agencies for equipment and training to assist with investigating and prosecuting illegal activities related to cannabis" and "grants for the effective enforcement and prosecution of violations of the nuisance abatement laws."

Any grants that are not harm reduction oriented should be removed from the public safety grants program and should instead be taken from the funds directed to law enforcement and regulation. Better yet, all regulation should be funded by fees and those funds should be eliminated. Existing law enforcement resources will be more than adequate as cannabis becomes legal and regulated.

The bill should also spell out a minimum threshold of licenses to be issued to equity applicants and ensure that licensing happens in a timely manner. We are also concerned an individual can be a social equity applicant if they simply have 51% of employees currently living in a disproportionately impacted area. This should be eliminated as it will dilute ownership by members of impacted communities. As a practical matter, applicants do not yet have employees and employment composition will change a lot during the length of licensure.

#### F. Additional areas of concern

In addition to the previously listed issues, we are concerned about these provisions:

- The bill should not prohibit possession of cannabis at universities and similar locations. (§A-5 (4))
- Processors and retailers should not be required to separate medical cannabis and adult-use cannabis, except for medical-only products, such as those with higher THC limits. (§ A-17 (14))

- Often the same product is used by both patients and consumers many of whom use cannabis as an over-the-counter medicine. There's no good policy reason to separate the products out before retail sales. Requiring it could lead to shortages if predictions aren't 100% accurate of how much patients vs. adult-use consumers will consume.
- The bill weakens the provision providing the medical use of cannabis doesn't disqualify a patient from an organ transplant or other needed medical care. (§A-41 (f)) It allows a provider to deny necessary care if they think it increases the risk of an adverse outcome, even if their judgement is not the scientific consensus, and even if the patient would still be better off with the procedure. This needs to revert to the original language.
- SB 3335 allows the board to come up with restrictions on medical home cultivation, which appears to be a new provision not in existing law (§A-42 (f)) That should be removed.
- There should be a clear deadline for licensing new businesses, and a floor for a reasonable number of new licenses, with a focus on small businesses. The Sustainable Chamber of Commerce urges that those who are already cultivating crops in Hawai'i are the first licensed to grow after existing medical businesses, which is a good idea.
- o Bans cannabis and hemp products "intended to be introduced via non-oral routes of entry to the body ..." "external topical application to the skin or hair." This would ban products that are currently providing relief, including suppositories and products for menopausal folks with vaginal dryness, etc. (§A-84 (c), §A-134 (e))
- Classifies distributing marijuana concentrates to someone from 18-21 as "promoting a harmful drug in the first degree." (Section 39). The current age for this extremely harsh penalty, and for all other harmful drugs, is 18. This appears to apply even if both the parties are under 21, and even if the recipient is the same age or older than the person sharing or if the parties are spouses. This is harsher than the penalty for far more dangerous drugs.
- Classifies distributing marijuana to someone from 18-21 as "promoting a harmful drug in the second degree." (Section 41.) The current age is 18.
- As with the above, this appears to apply even if both the parties are under 21, and even if the recipient is the same age or older than the person sharing or if the parties are spouses. This is harsher than the penalty for far more dangerous drugs.
- Section 77 should be deleted. It nullifies any section that would jeopardize federal funding. If the federal government were to threaten funding, the legislature should evaluate whether to change the law to keep funding, or to stick to its guns.

Please don't hesitate to reach out if you would like language for any of the amendments MPP suggests.

Mahalo for your time and consideration,

Karen O'Keefe

**Director of State Policies** 

Karen O'Keefe

202-905-2012

kokeefe@mpp.org



GreenWave Advisors LLC Submitting Testimony on SB3335 Mar 13, 2024 2:00 PM View Notice

Honorable Legislators,

It is imperative that Cannabis & Hemp "legalization" be approached comprehensively and responsibly. If the primary incentive of legalization is to generate tax revenues and the primary purpose is not to restore harms done by decades of prohibition, then it will be "Commercialization" and further "Criminalization". This will NOT be any form of "legalization".

Hawai'i has an opportunity to introduce what could be one of the most profound economic drivers and sustainable, or better yet regenerative, industries for the islands of Hawai'i. However, this is only achievable if those who were most harmed by the War on Drugs are given priority. This is only achievable if kanaka, indigenous Hawaiians, and underserved or marginalized communities are given priority. I believe that "Social Equity" is imperative, especially here in Hawai'i. But it is about how that is interpreted and how you get there that matters.

If you follow the suit of all the other states that have prioritized dollar signs over stakeholder input and engagement, you will end up with a failed Adult-Use paradigm. We have seen it happen state after state... and nobody seems to want to be accountable for the past transgressions or own up to the fact that only WE the survivors of this War on Drugs, can help you create comprehensive legal frameworks. Those that are inclusive of the communities that endured.



The Legacy Growers have perspective, our Kapuna have perspective, our Kanaka have perspective, our DOH have perspective, our licensed operators have perspective, and our job as stakeholders is to listen. Your job as appointed leaders and public servants is to listen.

Hawai'i could see the most comprehensive legal structure that any state has seen yet. Prioritizing restorative justice, research, education, public health & safety, as well as having a thriving market. But it has to be done by listening to our stakeholders and Cannabis and Hemp veterans.

I am here to state that I am here to be of service, as a legacy grower, business and nonprofit advisor and public policy wonk.

Please lean on me as needed.

Thank you for your time!



March 12, 2024

#### Re Testimony Concerning Attorney General's Cannabis Legalization Bill Draft

Re: Comments: SB 3335-SD 1 - Cannabis Legalization

Position: Opposed Unless Amended

To: Chairs Tarnas and Gates, Vice Chairs Takayama and Kahaloa, and Distinguished Members of the Judiciary & Hawaiian Affairs and Agriculture & Food Systems committees

Aloha, Chairs Tarnas and Gates, Takayama and Kahaloa, and Distinguished Committee Members,

My name is Bryon Adinoff. I am the President of <u>Doctors for Drug Policy Reform</u>, a group of several hundred physicians, other medical professionals, and scientists advocating for evidence-based drug policies and best practices that advance public health.

Prior to leaving full-time academia 5 years ago, I was the Distinguished Professor of Alcohol and Drug Abuse Research at the University of Texas Southwestern Medical Center in Dallas and for over 30 years I was an addiction psychiatrist in the Department of Veterans Affairs. I have <a href="mailto:published">published</a> and spoken widely on the biological effects and treatment of addictive disorders and I am the Editor of *The American Journal of Drug and Alcohol Abuse*. My research has been funded by the National Institute on Drug Abuse (NIDA), the National Institute on Alcohol Abuse and Alcoholism (NIAAA) and the Department of Veterans Affairs.

The medical professionals and scientists at D4DPR assert that the most significant detriment of cannabis lies in the severe consequences of arrests or imprisonment, profoundly impacting both individual and societal well-being. The ramifications of a cannabis-related arrest or conviction can endure a lifetime, hindering employment prospects, access to financial resources like car loans or mortgages, eligibility for student financial aid, and securing public housing. These adverse effects, stemming from cannabis prohibition, not only detrimentally affect an individual's mental and physical health but also reverberate through their family and community, with the most profound impact seen among those with limited means and belonging to disenfranchised groups.

Another pivotal reason we advocate for ending cannabis prohibition is to establish a secure and regulated system for cannabis cultivation, distribution, and sale. With more than 50% of the US population residing in states where adult-use cannabis is legalized, the positive outcomes of this system are evident. However, we express concern that the proposed bill by the Attorney General falls short of adequately addressing the individual and public health aspects associated with cannabis.

As health professionals and scientists, we apprehensively observe various aspects of the bill that undermine the potential benefits of cannabis legalization. Despite appearing to support legalization, the Attorney General's office seems intent on maintaining or expanding the role of law enforcement in criminalizing cannabis. While some of the shortcomings were addressed in the Senate committee process, several alarming provisions remain. Specifically:

- The proposal advocates for increased cannabis law enforcement, imposing severe penalties for vague offenses like "open containers," "nuisance abatement," use by minors, improper storage, and public consumption, alongside requirements for "strict compliance." These measures, lacking evidence-based support, defy common sense and fail to enhance public health or safety.
- The suggested per se "driving under the influence" limit of 10 nanograms per milliliter of THC exemplifies the bill's lack of reliance on evidence-based standards. The academic literature is unequivocal that using THC concentrations has no scientific validity in assessing cannabis impairment, potentially leading to the unwarranted arrest of individuals without cannabis-related impairment.

We implore that due consideration be given to the input provided by D4DPR and other members of the Hawai'i Alliance for Cannabis Reform. It is our fervent belief that the legalization of adult-use cannabis genuinely enhances, rather than harms, the public health of Hawaiians.

Bryon Adinoff, MD President, Doctors for Drug Policy Reform



#### **TESTIMONY OF TINA YAMAKI, PRESIDENT RETAIL MERCHANTS OF HAWAII** MARCH 13, 2024 **SB 3335 SD2 RELATING TO CANNABIS**

Good afternoon, Chair Tarnas and Chair Gates and members of the House Committee on Judiciary and Hawaiian Affairs and the House Committee on Agriculture & Food Systems. I am Tina Yamaki, President of the Retail Merchants of Hawaii and I appreciate this opportunity to testify.

The Retail Merchants of Hawaii was founded in 1901 and is a statewide, not for profit trade organization committed to supporting the growth and development of the retail industry in Hawaii. Our membership includes small mom & pop stores, large box stores, resellers, luxury retail, department stores, shopping malls, on-line sellers, local, national, and international retailers, chains, and everyone in between.

We STRONGLY OPPOSE SB 3335 SD2. This measure establishes the Hawai'i Hemp and Cannabis Authority and Hemp and Cannabis Control Board within the Department of Commerce and Consumer Affairs to regulate all aspects of the cannabis plant. Establishes the Hemp and Cannabis Control Implementation Advisory Committee; beginning January 1, 2026, legalizes the personal adult use of cannabis; establishes taxes for adult-use cannabis and medical use cannabis sales; transfers the personnel and assets of the Department of Health and assets of the Department of Agriculture relating to cannabis to the Hawai'i Hemp and Cannabis Authority; declares that the general fund expenditure ceiling is exceeded; makes appropriations; takes effect 12/31/2050.

Despite states like California, Oregon and New York legalizing marijuana, this drug continues to be illegal under federal law and is considered a controlled substance like fentanyl or meth.

It is our understanding that the tax revenue states bring in from legalized marijuana is less than 1% of the state budget as well as falling short of the expected revenue generated. Colorado has shown that \$4.50 is the cost for every \$1 of tax revenue they brought in from legalizing Marijuana.

We also wonder if Hawaii has the capacity, the monies, and the infrastructure to take on those who become addicted to Marijuana as we understand that Hawaii rehab facilities are currently at maximum levels. Many retailers have a zero tolerance for substances like marijuana that can be detected in urine for up to 30 days. We are concerned about the safety of not only our customers but our employees. Especially in the back of the house, employees use equipment that if impaired could cause injury to themselves or others. This includes the use of forklifts, bailers, compactors, company cars and more. We do not want to see anyone injured or injuring others. Smart Approach to Marijuana (https://learnaboutsam.org/wp-content/uploads/2023/04/2023-Report.pdf) Study indicated following legalization Emergency Room visits and admissions related to marijuana abuse in California is up 89%; Colorado marijuana-related hospitalizations per 100,000 since legalization have increased 148%; and 1 in 4 road deaths in Colorado involved Marijuana.

While we understand that this measure is for recreational use, we also know that it will be more readily available, and employees could still come to work high by inhaling or ingesting it before their shift or on their break. Smart Approach to Marijuana (https://learnaboutsam.org/wpcontent/uploads/2023/04/2023-Report.pdf) Study indicated that 30% of marijuana users have some



form of marijuana use disorder. There are many health risks associated with marijuana use, including respiratory problems from smoking and potential negative impacts on mental health, such as increased risk of psychosis or exacerbation of existing mental health conditions. It also could impair one's cognitive and motor functions, which can increase the risk of accidents and injuries. Employees who use marijuana recreationally may experience decreased productivity, absenteeism, and increased workplace accidents. This can be a concern for employers and the economy as a whole.

Hawaii continues to be dependent on tourism, especially from Japan. During a meeting, this past summer that the Honolulu Prosecutor put on, we heard from the Japanese tour wholesalers that if Hawaii legalizes marijuana, Japanese visitors will find other destinations to visit and stop coming to Hawaii. And Hawaii is very dependent on our visitors from Japan. This would have an enormous impact on retailers as well as the General Excise Tax – No Japanese Tourist = No Spending = Stores closing = loss of tax revenue.

Mahalo for this opportunity to testify.



#### **Akamai Cannabis Consulting**

3615 Harding Ave, Suite 304 Honolulu, HI 96816

# TESTIMONY ON SENATE BILL 3335 SD2 RELATING TO CANNABIS By Clifton Otto, MD

House Committee on Judiciary & Hawaiian Affairs Representative David A. Tarnas, Chair Representative Gregg Takayama, Vice Chair and

House Committee on Agriculture & Food Systems Representative Cedric Asuega Gates, Chair Representative Kirstin Kahaloa, Vice Chair

Wednesday, March 13, 2024; 2:00 PM State Capitol, Room 325 & Videoconference

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

The U.S. Department of Health and Human Services (HHS) and the Food and Drug Administration (FDA), a branch of HHS, after what was probably the most robust scientific and medical review ever performed on cannabis by a federal agency, <a href="determined">determined</a> that cannabis has accepted medical use in the United States and should be placed in federal Schedule III. This means that the abuse potential of cannabis warrants that it still be regulated as a controlled substance.

And yet, this body is seriously considering allowing anybody twenty-one years or older to grow their own cannabis and purchase cannabis products at retail locations without medical supervision.

We listened to the Centers for Disease Control and Prevention (CDC), a <u>branch</u> of HHS, when it came to health recommendations during the COVID Pandemic. And yet now we are going to ignore the recommendations of HHS when it comes to cannabis?

In addition, this bill does not address the federal situation with cannabis in Hawaii, which is already causing severe negative consequences for our medical cannabis patients and will only impact a greater number of residents when they must violate federal law to participate in a state adult use program.

The Office of the Attorney General is <u>saying</u> that patients cannot have legal safe harbor from federal drug law. But if this is true, then why are members of the Native American Church able to enjoy legal safe harbor from federal Schedule I for the ceremonial use of <u>peyote</u>?

Congress has demonstrated a clear <u>intent</u> to shield state medical cannabis programs from federal interference for the past ten years. Congress has not done so for state recreational use programs, which are reportedly attracting organized <u>criminal activity</u> on a scale never seen before.

A state program cannot be properly regulated or consistent with public health and safety if participants must violate federal law to participate.

The constitutional authority of the State to decide how cannabis is regulated within the state is worth protecting. Without this authority we would not have a medical cannabis program in the first place. But this authority must be wielded very carefully and comes with a moral and constitutional obligation to harmonize with federal law.

If protecting public health and safety is our top priority, then the State should wait until Congress removes cannabis from the federal Controlled Substances Act entirely and establishes a national regulatory framework for cannabis.

In the meantime, the State is in a much stronger position if it focuses on improving and <u>expanding</u> Hawaii's Medical Cannabis Program and protecting our patients from any further discrimination by obtaining a federal exemption.

Please delay moving forward with the adult use of cannabis in Hawaii until Congress acts on this issue, and instead gut and replace this bill using \$B3278 as a template.

#### SB-3335-SD-2

Submitted on: 3/12/2024 12:12:59 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Ezra Parzybok	Care Waialua LLC	Comments	Remotely Via Zoom

#### Comments:

I am a cannabis consultant and Social Equity participant based in Massachusetts, the state upon which Hawaii modeled bill SB3335. I've brought dozens of companies through licensure to operation.

The Hawaii Bill states,

"...the experience of other states is that the illicit market continues to exist in parallel to the legal, regulated market."

But the bill fails to address why it happens or how it might solve the problem.

Massachusetts has failed to eliminate the black market due to the high bar to licensure of general and Social Equity applicants in an over-regulated market catering to Big Marijuana.

I encourage you to look at regulatory models in Maine and Vermont, where industry profits stay local, black markets are squelched out by small businesses offering low prices, and Big Marijuana has little incentive to suck profits out of the state.



Statement from Frank Stiefel Senior Policy Associate Last Prisoner Project

RE: Senate Bill 3335, SD2, Does Not Prioritize Retroactive Relief for Those Criminalized for Cannabis

March 12, 2024

Dear Members of the Committees on Judiciary and Hawaiian Affairs and Agriculture and Food Systems,

When a state legalizes adult-use cannabis, it is acknowledging that public interest has turned against the continued criminalization of cannabis. However, simply repealing the prohibition of cannabis is insufficient: millions of individuals across the U.S. still bear the lifelong burden of having a cannabis record, and tens of thousands are actively serving sentences for cannabis-related convictions. Thankfully, the inclusion of criminal justice policies has become commonplace for states that have sought to legalize adult-use cannabis. Since 2018, 13 of the 14 states that have legalized cannabis have included record clearance policies, and since 2021, they have all been state-initiated.

The Last Prisoner Project (LPP) has worked diligently over the past two years in Hawai'i to present evidence-based policies that will ensure that retroactive relief is provided for those who have been criminalized during the War on Drugs. In 2022, LPP presented recommendations to Hawaii's Dual Use of Cannabis Task Force for the creation of a state-initiated record clearance process for those who continue to suffer from criminal records as a result of prohibition. LPP's recommendations were endorsed by the Task Force and were codified in SB 375, SB 669 and HB 237 during the 2023 legislative session. On March 1st of this year, LPP participated in an informational briefing on the importance of cannabis record clearance. During the briefing, we gave a presentation on the landscape of cannabis record clearance and how these systems can provide retroactive relief to the thousands of individuals who have been criminalized by prohibition.

As technical assistance providers, we have read, advised, and informed expungement modification statutes across the country. We understand that proposing any state-initiated process represents no small undertaking and requires a reasonable amount of time to develop the necessary technological infrastructure and business processes in order to ensure a system

is implemented with fidelity. However, any bill that seeks to legalize adult-use cannabis must be focused on providing retroactive relief for the thousands of individuals who have been intimidated, arrested, and even thrown into prison for cannabis. The push to legalize adult-use cannabis represents an opportunity to right the wrongs that have been committed during the War on Drugs, particularly against people of color, including Native Hawaiians and Pacific Islanders.

If SB 3335, SD2 can contemplate the creation of 17 new law enforcement positions, and an entirely new market and regulatory structure, then surely Hawai'i can also dedicate the necessary resources to addressing and repairing the harm caused by decades of cannabis prohibition. We would ask that committee members insert language from SB 669, SD2 that was passed by the Senate last year and outlined the creation of a state-initiated record clearance process for individuals with cannabis records.

We thank you for your consideration of this urgent matter.

#### **About Last Prisoner Project**

The Last Prisoner Project, 501(c)(3), is a national nonpartisan, nonprofit organization focused on the intersection of cannabis and criminal justice reform. Through policy campaigns, direct intervention, and advocacy, LPP's team of policy experts works to redress the past and continuing harms of unjust cannabis laws. We are committed to offering our technical expertise to ensure a successful and justice-informed pathway to cannabis legalization in Hawai'i.

#### **TESTIMONY**

#### HOUSE COMMITTEE ON JUDICIARY AND HAWAIIAN AFFAIRS HOUSE COMMITTEE ON AGRICULTURE AND FOOD SYSTEMS SB3335 SD2 RELATING TO CANNABIS

March 14, 2024, at 2:00 PM

State Capitol Conference Room 325 via Videoconference

Honorable Chair Tarnas, Vice-Chair Takayama, and Committee Members; and Honorable Chair Gates, Vice Chair Kahaloa, and Committee Members

I support the use of <u>medical</u> cannabis. However, I do NOT support the use of <u>recreational</u> cannabis.

The Hawaii Federation of Republican Women stand in STRONG OPPOSITION to SB3335\_SD2 for the following reasons:

**Danger to the Community.** SB3335\_SD2 states: "Under federal 17 law non hemp cannabis is an illegal drug and is classified as a ~ 2024—0673 SB HMSO S.B. NO. ~ schedule I controlled substance under the Uniform Controlled Substances Act."...: "In addition, there are practical difficulties in identifying individuals who may be impaired by cannabis while driving, including the lack of a cannabis analogue for a breathalyzer for alcohol."

- The prevalence of marijuana or marijuana-in-combination identified by Colorado State Patrol officers as the impairing substance in a DUI increased from 12% of all DUIs in 2014 to 31% in 2020. The prevalence of citations reported as marijuana-alone increased from 6.3% in 2014 to 8.7% in 2020, while marijuana-in-combination with alcohol or other drugs increased from 5.7% of citations in 2014 to 22.7% in 2020.
- The number of traffic fatalities where a driver tested positive\*\* for any cannabinoid (Delta 9 or any other metabolite) increased 140%, from 55 in 2013 to 132 in 2019.

#### Health and Wellness.

- There was a significant rate increase of marijuana-related emergency department visits during the era of medical commercialization. The increase in visits continued after 2014 but that increase was reversed in 2019.
- The number of calls to poison control mentioning human marijuana exposure increased over the past 10 years. There were 41 calls in 2006 and 276 in 2019.

Source: https://dcj.colorado.gov/news-article/colorado-division-of-criminal-justice-publishes-report-on-impacts-of-marijuana

I encourage you to think about the decisions that you make today that will have an impact on our families and future generations to come. Please vote NO on SB3335\_SD2.

Thank you for the opportunity to testify.

Respectfully Submitted, Jamie Detwiler. President Hawaii Federation of Republican Women TO: JHA/AGR

FROM: Robert Bence, Certified Organic, Diversified, Generational Hemp Farmer and

Cannabis Advocate, Hawai'i Sustainable Farms, Kula, Maui, HI 96790

RE: Strong Opposition to SB 3335

DATE: 3/12/24

Aloha Representatives,

After being diagnosed with a previously undiscovered random birth defect, that caused a stroke followed by brain surgery that led to learning to walk and talk again, developed conditions that I treat with certified organic hemp previously known only as cannabis. A legal definition that means a lot and should not be commingled with adult use cannabis which this bill is also bad at regulating. I support cannabis as much or more than anyone; however, this bill is so terrible as a lover of cannabis, the plant that saved my life and could save Maui, I can't support SB3335. The fact I find myself opposing the bill, along with prohibitionist, is a sign this is a bad bill that will only cause more harm to cannabis while destroying the hemp industry.

SB3335 is a death blow to hemp, after last year we finally got rules that would make hemp farming somewhat more feasible and this year you're already proposing throwing that hard work out for a regulatory bureaucracy that has been hostile to hemp, failed at cannabis regulation and communication. The legal definition of hemp already bans what the HDOH/Attorney General claims are loopholes. The advice of CANNRA that THCA was legal is incorrect and they shouldn't be leading the HDOH/AG/Leg if that is the case (SEE Works Cited below testimony 1&2).

The local hemp industry has apparently only one bad actor that the HDOH already identified and currently has the power to go after for selling THCA which is illegal. The synthetic cannabinoids are also illegal and not practical in Hawai'i. No local hemp farmers growing the quantities that would make the production of synthetic hemp practical from an economic standpoint it sells higher as a hemp product from Hawai'i than a synthetic cannabinoids. Anyone could already just get the mailed like the majority of illegal cannabis for that matter, also mailed directly to their house with no problem. Comes from states where it is more economically feasible to grow large scale cannabis. The imported price for illegal cannabis imports is less than the export price of legal Hawai'i hemp so it makes no sense to do illicit cannabis as hemp.

The HDOH/Law enforcement already have the power to enforce the illegal imports on smoke shop shelves etc but they don't. It's not a lack of enforcement

capabilities it's just not a priority for law enforcement which is understandable. Mail and smuggling, like alcohol prohibition, shows that as long as demand is here and no local supply, or as proposed an over regulated local supply, only local farmers will suffer, be they hemp or cannabis. Only locals would be negatively impacted. Hawai'i hemp farmers go above and beyond not only following the law but working to protect outdoor medical cannabis from hemp pollen.

Hemp is a cornerstone of our farm's agroforestry conservation plan as part of alley cropping and multistory planting practices with ultra high density planting of several different trees including grafted avocados, mango and endemic forests in this area before human contact. Rotational grazing and cover crop rotations of sunnhemp rolled and crimped followed by hemp makes it a great companion plant for the no-till crop and livestock rotations that can be done from tractor allowing more production, despite my severe disability. We can grow local houses.

The benefits of hemp as a food and a myriad of other uses from soil remediation to advanced nano particles of hemp graphene superconductors from animal bedding to housing from fresh juice to solvent-less extracts to seed breeding and microgreens... the market potential and environmental benefit list would go on for countless pages. Hempcrete is especially important after the fires here and including hemp with adult use cannabis would negatively impact our ability to maintain vital financial services and certifications that do not like states commingling legal and illegal cannabis. Hawaii hemp farmers shouldn't be left behind after finally being allowed to grow. SB3335, is proposing to regulate local farmers out of business it is not acceptable.

Hemp farmers were left out of shaping this bill and we should have been consulted because we are the only federally legal cannabis farmers and some of the very few actually reading this over 300 page proposed bill. Providing free advice that is more accurate than CANNRA.

Simple solution: Let everyone over 21 grow 10 plants per person and sell to other adults with GE tax. Let people start cannabis businesses that are small enough to discourage multi-state-operators. Treat consumption like the far more dangerous tobacco and tax sales like the far more dangerous alcohol. Every state has failed this simple way to keep it local, it always leads to big corporations like TrueLeaf having the only social equity license in Alabama (4).

Give established medical patients the same head start proposing for the 8 dispensary licenses. Increase the medical card limit to 99 plants of any size as allowed by current county Ag zoning rules. Allow patients to sell at farmers markets. Separate federally legal cannabis which currently is not only hemp but also federally legal cannabis for federal research allowed to be grown and sold Mahalo to Senator Schatz work on and President Biden signing the Medicinal Marijuana and Cannabinol Research Expansion Act (3). The state should allocate funds to UH CTAHR and UH JABSOM to develop a research project that includes disabled patients growing there own medicine with testing and distribution of the federally legal research cannabis to other patients and/or researchers. This could regain Hawai'i's long lost leadership role in medical cannabis.

After the fires walking distance to my farm and taking Lele, we need the economic benefit of adult use cannabis, medical cannabis and hemp in a way explained in my testimony not as proposed by the Attorney General, HDOH and CANNRA in SB3335.

#### Ideas in red to improve AG's edits for Hemp:

#### AG's Edit of HHFA Areas of Agreement

- 1. Include a statement in the preamble acknowledging the value of hemp products and clarifying that the intent of the bill is to provide certainty for hemp farmers, support for small farmers and industrial hemp projects, and regulate intoxicating or dangerous hemp-derived cannabinoid products. \*Intoxicating Hemp Derivatives (IHDs)
- \*Require SB3335 to list all potential IHDs, State will not exceed any current or upcoming federal rules on the growth, transportation, processing or sales of hemp.
- 3. Include a "hemp coordinator" in the authority. in the authority and ensure more hemp farmers than cannabis industry members until cannabis becomes federally legal.
- 2. Change the name of Authority to "Hawaii Hemp and Cannabis Authority." Include at least two hemp farmers from each county
- 4. Clarify the definition of industrial hemp, to be defined based on the post-harvest use. HHFA to provide example definition or indicate a state that has a usable definition.

other Alternative Sampling/Growing Guidelines for Hemp not able to exceed the limit or by function can not be tested(eg no flower)

5. Amend the composition of the advisory board to include hemp perspective. HHFA to provide preferred language and composition.

Include two to one representation on the advisory board of hemp farmers, hemp economists and advisors to cannabis advisors until cannabis becomes federally legal.

- 6. Amend certain language in the bill that would pose problems for hemp farmers or prevent investment in hemp projects. HHFA will identify language that could be problematic and provide preferred amended language.
  - AG is set on commingling legal hemp and illegal cannabis, history of state hostility to hemp can't be undone. Need grants of at least \$33 million per year if pass \$B3335.
- 7. Define specific hemp-derived products that will not be considered "restricted cannabinoid products." HHFA will identify and define hemp-derived products that they would like explicitly allowed under SB 3335.

Better require all they want as IHDs in SB3335 defined all others allowed

- As discussed on Friday, the products identified should include the form of the product (e.g., lotion, salve, tincture), a definition of the product (e.g., "tincture" means a 1 oz product containing hemp extract and a carrier oil), and the cannabinoid limits that HHFA wants to be included (e.g., XXX mg of THC per product).
  - Better require all they want as IHDs in SB3335 defined all others allowed
- Clarify that a retail permit will not be required for approved hemp cannabinoid products. Permits would only be required for restricted cannabinoid products.
   Better to require IHDs listed in SB3335 all others allowed in retail
- 8. Clarify terms for licensing that delineate between industrial hemp processing and cannabinoid hemp processing (e.g., hemp extract processor license). Only require permit for processing of IHD no other CB hemp processing permit or violation fees beyond that of other value added agricultural products.
- 9. Clarify that cultivation/farming is regulated by the USDA (e.g., no special rules or requirements for cannabinoid farming). and/or distribution or sale of a raw agricultural commodity (RAC).
- 10. Include hemp farmers and projects in grant programs and allow for technical assistance for hemp farmers to assist with regulatory compliance. \$33 million per year or higher
- 11. Remove industrial hemp permit from special permit section (A-119).
- 12. Discuss craft hemp license for processing hemp cannabinoid products.

a. This was not discussed with the larger group, but we can look at possible language or what you would want from a craft license and discuss with the Senators. Granta and special accommodations to local low income hemp farmers to process on farm value-added hemp products.

#### Mahalo

Robert Bence Certified Organic Hemp Farmer and Cannabis Proponent



#### Works Cited

1. In June 2023, the DEA acknowledged THCA when expanding the USDA-required post-decarboxylation testing requirement, writing, "Congress has directed that, when determining whether a substance constitutes hemp, delta-9 THC concentration is to be tested 'using post-decarboxylation or other similarly reliable methods.' 7 USC § 1639p(a)(2)(A)(ii); 7 USC § 1639q(a)(2)(B)." Both of these cited code sections apply to the "production" – that is, the growing – of hemp, not hemp that has already been harvested or products containing hemp derivatives. Thus, by the plain language of the relevant federal statute, the post-decarboxylation test does not apply to post-production hemp. In other words, hemp being grown must have a total THC (THCA + THC) concentration of 0.3% or less[2] in order to be harvested.

It also seems clear that Congress intended these legal distinctions to control the legal hemp versus marijuana markets in the United States. Indeed, not only Congress but also the DEA[3] and federal courts interpreting relevant federal laws have all determined: "[i]mportantly, the only statutory metric for distinguishing controlled marijuana from legal hemp is the delta-9 THC concentration level. In addition, the definition extends beyond just the plant to all derivatives, extracts, [and] cannabinoids." 7 U.S.C. § 16390 (1). The use of "all" indicates a sweeping statutory reach. See Lambright v. Ryan, 698 F.3d 808, 817 (9th Cir. 2012)." AK Futures LLC v. Boyd St. Distro, 35 F.4th 682, 690-91 (9th Cir. 2022).[4]

https://www.mcglinchey.com/insights/is-thca-legal-the-state-line-is-the-bottom-line/

2. THCA article by Emory Garcia at Oregon CBD: The 2018 Farm Bill, and the DEA, explicitly state in order for cannabis products to be considered hemp they must contain less than 0.3% Delta 9 post-decarboxylation (i.e. once its heated). This is described as "Total THC" and despite what a pile of money hungry lawyers say - this is how the law is interpreted by the US government. Coincidentally total THC is what is posted on every product sold at dispensaries in legal states

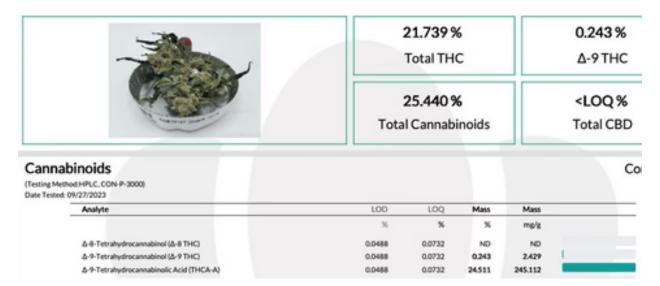
The statement below comes directly from the USDA website regarding what is considered hemp

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• 1.8 At a minimum, analytical testing of samples for total delta-9 tetrahydrocannabinol concentration levels must use post-decarboxylation or other similarly reliable methods approved by the Secretary in writing. The testing methodology must consider the potential conversion of delta-9 tetrahydrocannabinolic acid (THCA) in hemp into delta-9 tetrahydrocannabinol (THC), and the test result must reflect the total available THC derived from the sum of the THC and THCA content. Current testing methodologies meeting these requirements include gas chromatography and liquid chromatography. Other methods may be approved if they meet the requirements.

Total THC is calculated by multiplying THCa content \* 0.877 and then adding the Delta 9 percentage. It sounds confusing, but the labs do the math.

For example, the test results below are from flower being sold as "hemp" online.



According to the DEA and the USDA this flower has 18.56% total Delta 9 THC - not the scant 0.243% accepted by the public. Law enforcement would certainly agree this is not legal flower.

#### https://qtrseeds.com/blogs/news/is-thca-legal-hemp

3. H.R. 8454, the "Medical Marijuana and Cannabidiol Research Expansion Act," which establishes a new registration process for conducting research on marijuana and for manufacturing marijuana products for research purposes and drug development;

Thank you to Representatives Blumenauer, Harris, Griffith, Joyce, Mace, and Perlmutter, Delegate Norton, and Senators Feinstein, Grassley, Schatz, Durbin, Klobuchar, Tillis, Kaine, Ernst, Tester, and Murkowski for their leadership.

https://www.whitehouse.gov/briefing-room/legislation/2022/12/02/bills-signed-h-j-res-100-h-r-8454-s-3826-and-s-3884/

4. "Trulieve Awarded Alabama's Only "Minority-Owned" Medical Cannabis License"



The state of

#### Wednesday, March 13th, 2024 at 2:00 pm Conference Room 325

#### **House Committee on Judiciary and Hawaiian Affairs**

To: Chair David A. Tarnas

Vice Chair Gregg Takayama

#### **House Committee on Agriculture and Food Systems**

To: Chair Cedric Asuega Gates

Vice Chair Kirstin Kahaloa

From: Hilton R. Raethel

President and CEO

Healthcare Association of Hawaii

Re: Submitting Comments

SB 3335 SD 2, Relating to Cannabis

The Healthcare Association of Hawaii (HAH), established in 1939, serves as the leading voice of healthcare on behalf of 170 member organizations who represent almost every aspect of the healthcare continuum in Hawaii. Members include acute care hospitals, skilled nursing facilities, home health agencies, hospices, assisted living facilities and durable medical equipment suppliers. In addition to providing access to appropriate, affordable, high-quality care to all of Hawaii's residents, our members contribute significantly to Hawaii's economy by employing over 30,000 people statewide.

Thank you for the opportunity to submit **comments** on this measure. We are concerned with the potential negative impacts of the legalization of cannabis will have not only our public health, but also on underserved communities in our state. In speaking with healthcare partners in states that have legalized cannabis, there has been a consistent narrative that the commercialization of this substance has had a deleterious effect on communities where health disparities are already the most glaring.

We appreciate that there is an intention to consider public health, but we do not believe that there are enough protections, especially for minors, to ensure that prohibited access and problematic use are adequately addressed. Further, we understand the interest in raising revenues, but would suggest that the additional costs to public safety and public health may ultimately outweigh any tax benefit the state sees.

Thank you for considering our comments with concerns about the commercialization of cannabis.

#### Hawaii Legislative Council Members

Joell Edwards Wainiha Country Market Hanalei

Russell Ruderman Island Naturals Hilo/Kona

Dr. Andrew Johnson Niko Niko Family Dentistry Honolulu

> Robert H. Pahia Hawaii Taro Farm Wailuku

> > Maile Meyer Na Mea Hawaii Honolulu

Tina Wildberger Kihei Ice Kihei

L. Malu Shizue Miki Abundant Life Natural Foods Hilo

Kim Coco Iwamoto Enlightened Energy Honolulu

> Chamber of Sustainable Commerce P.O. Box 22394 Honolulu, HI 96823

Rep. David A. Tarnas, Chair Rep. Gregg Takayama, Vice Chair Committee on Judiciary & Hawaiian Affairs

Rep. Cedric Asuega Gates, Chair Rep. Kirstin Kahaloa, Vice Chair Committee on Agriculture & Food Systems

Wednesday, March 13, 2024 2:00 PM in Room 325

RE: SB3335 SD2 Cannabis Legalization - Support ONLY w/Amendments

Dear Chairs Tarnas & Gates, Vice Chairs Takayama & Kahaloa and Members of both Committees,

The Chamber of Sustainable Commerce represents over 100 small businesses across the State that strive for a triple bottom line: people, planet and prosperity; we know Hawaii can strengthen its economy without hurting workers, consumers, communities or the environment. This is why **we would support SB3335 SD2 only with the following amendments:** 

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

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

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





#### **EXECUTIVE DIRECTOR**

Lieutenant Diane Goldstein, Ret. Nevada, USA

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Chief Thomas N. Thompson Ohio, USA

Supt. Richard Van Wickler, Ret. New Hampshire, USA

Det. Sgt. Neil Woods, Ret. Derbyshire, England, LEAP UK

Date: March 11, 2024

Re: Comments: SB 3335, SD 2 - Cannabis Legalization

Position: No Position - Requires Amendment

To: Chairs Tarnas and Gates, Vice Chairs Takayama and Kahaloa, and distinguished members of the Judiciary & Hawaiian Affairs and Agriculture Committees

Aloha, Chairs Tarnas and Gates, Vice Chairs Takayama and Kahaloa, and distinguished committee members,

As a career law enforcement professional, I am writing on behalf of the Law Enforcement Action Partnership (LEAP) to share our comments regarding SB 3335, SD 2, which would legalize the personal adult use of cannabis.

LEAP is a nonprofit group of police, prosecutors, judges, and other criminal justice professionals who speak from our experience within the justice system. Our mission is to make communities safer by focusing law enforcement resources on the greatest threats to public safety and working toward healing police-community relations.

Many years in the law enforcement profession have taught us that cannabis prohibition causes much more damage than the use of the drug itself. Our cannabis laws brew deep distrust of police and the criminal justice system, breaking community ties and increasing violence.

Prohibition forces people in the cannabis trade into an illicit market that is besieged by gun violence to resolve disputes that legal businesses handle in court. Legalizing and regulating cannabis sales will redirect its profits back into the communities that have been harmed the most by the illicit market. It will also ensure that cannabis is sold only by regulated, licensed businesses that uphold environmental laws, consumer safety regulations, and check IDs.

As Law Enforcement, we think regulating cannabis is one of the smartest things Hawaii can do to improve its criminal justice system, however the bill currently under consideration still needs a number of amendments..

The bill re-criminalizes minors in possession of cannabis. It directs 50% of all tax revenue to cannabis enforcement and regulation – in addition to fees — and envisions adding more officers on cannabis. This would not only divert law enforcement resources from solving serious crime, but would also increase unnecessary criminalization of Hawaii residents.

Instead, we believe the bulk of the proceeds of legalization should be invested in community needs and justice.

Meaningful amendments to these bills, such as these and others described by the Hawai'i Alliance for Cannabis Reform, will refocus police resources on what matters most: helping communities recover from decades of unjust conditions that give rise to violent crime and social hardship.. Communities deserve a regulated model in the name of public safety and opportunity.

Thank you for the opportunity to submit our comments and concerns regarding SB 3335, SD 2.

Mahalo,

Diane Goldstein

Quane m. Dolast

Redondo Beach Police Department

Executive Director, The Law Enforcement Action Partnership



#### CATHOLIC CHARITIES HAWAI'I

#### COMMENTS for SB 3335 SD1: RELATING TO CANNABIS

TO: House Committees on Judiciary & Hawaiian Affairs, and Agriculture & Food

Systems

FROM: Rob Van Tassell, President and CEO, Catholic Charities Hawai'i **Hearing:** Wednesday, 3/13/24; 2:00 pm; via Videoconference or Room 325

Chair Tarnas, Chair Gates, Vice Chair Takayama, Vice Chair Kahaloa, and Members, Committees on Judiciary & Hawaiian Affairs, and Agriculture & Food Systems:

Thank you for the opportunity to provide written **Comments on SB 3335 SD1**, which legalizes the personal adult use of cannabis as of January 1, 2026, establishes taxes, etc. I am Rob Van Tassell with Catholic Charities Hawai`i.

Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai'i for over 75 years. CCH has programs serving elders, children, families, homeless and immigrants. Our mission is to provide services and advocacy to the most vulnerable of the people in Hawai'i.

Catholic Charities Hawai'i is concerned that this bill would create very negative impacts for many vulnerable populations. Affordable housing is in crisis now. All the federally funded affordable housing must comply with federal rules which prohibit illegal substances, including cannabis. Increased use of recreational cannabis could have serious consequences. We are facing a homelessness crisis. Youth homelessness is of deep concern. A 2018 study found that daily marijuana use by young men substantially increased the probability of becoming homeless. SAMHA reports that about 1 in 10 people who use marijuana will be come addicted. For youth under 18, addition rates increase to 1 in 6! Legalizing recreational cannabis use can have significant health and societal costs.

Our state is already struggling with controlling the use of vaping by children under 18. The sad case of a Hawai`i Island 12 year-old hospitalized after reportedly vaping just prior to going unresponsive at school (Star -Advertiser 2/6/24) points to the dangers faced by children who may see vaping as "harmless". While use of cannabis is increasing across the board, perception of its harmful effects is decreasing especially among high schoolers. When teens use cannabis, Colorado has found that 48.8% of teen drivers report driving under the influence. Overall, Colorado reported that 1 in 4 road deaths involved cannabis (Colorado Division of Criminal Justice 2020). The danger is increased since the average potency of marijuana flowers has increased about 5 times between 1995 to 2018. We also recognize that illegal forms of cannabis may be laced with other drugs such as fentanyl which is much stronger and dangerous.

In this year of tight funding, with the Legislature focusing on Maui and other critical needs, we urge you to defer this bill which puts the health and well-being of many at risk. If you have any questions, please contact our Legislative Liaison, Betty Lou Larson at (808) 527-4813.







### Re: Testimony for SB3335 SD2 Relating to Cannabis

Aloha Chair and Members of the Committee,

The Cannabis Society of Hawai'i (CSH) submits this testimony on Senate Bill 3335 SD2, "Relating to Cannabis," with both support and reservations. We appreciate the opportunity to provide our perspective and collaborate on refining this legislation.

#### Support for the Bill

CSH commends the legislature's progress toward establishing a comprehensive cannabis regulatory framework. We are optimistic and strongly believe cannabis can play a significant role in:

- Medical Advancement: Supporting research on cannabinoids for treating illnesses like cancer, Alzheimer's, Parkinson's, and epilepsy.
- Economic Growth: Creating educational and vocational opportunities in healthcare, agriculture, construction, and business related to the cannabis industry.
- Environmental Sustainability: Promoting the use of hemp for building materials, reducing reliance on imported lumber, and creating carbon sequestration opportunities.
- Law Enforcement Efficiency: Freeing up law enforcement resources currently focused on cannabis prohibition.

#### **Educational Investment**

<u>CSH strongly supports the bill's emphasis on cannabis education.</u> Investing in public education will:

- Increase public understanding of cannabis use and potential benefits.
- Reduce reliance on law enforcement for cannabis-related issues.
- Potentially save the state \$13 million by January 1, 2026, compared to a scenario requiring extensive additional regulation.

#### **Areas for Improvement**

#### **Blood THC Limit**

<u>CSH recommends removing the proposed 5-nanogram THC blood limit for intoxication.</u>
Standardized field sobriety tests should remain the primary means of determining impairment.

#### Patient/Caregiver Rights

<u>CSH opposes any reduction in patient/caregiver rights or plant count limitations.</u> This could hinder access to diverse strains and impact breeding and cultivation practices.

#### **Social Equity Program**

CSH urges the committee to strengthen the social equity program by:

- Setting a minimum of 48 operational social equity licenses by January 1, 2026.
- <u>Issuing a minimum of 24 new social equity licenses annually thereafter.</u>

This will foster greater competition, ensure product availability, and generate additional tax revenue while also addressing diversity, equity and inclusion.

#### **Funding Allocation**

CSH recommends redirecting funds saved from forgoing a dedicated HPD task force towards:

- Affordable housing initiatives
- Environmental protection programs
- Homelessness assistance
- Educational programs and Educators
- Bolstering the social equity program

#### **Medical Cannabis Access**

CSH urges consideration of the CLAIM ACT, which would allow insurance to offset medical cannabis costs. Additionally, the bill should not restrict patient access to caregiver models, which allow patients to work together to obtain specific strains and cultivars crucial for their health needs based on shared resources and complimentary talents.

#### **Economic Impact**

A recent Star-Advertiser report highlights a significant loss of 36k residents and stated a \$185M loss in 3 years. CSH urges the committee to consider the potential tax revenue and job creation from a well-regulated cannabis industry.

#### Conclusion

CSH believes this legislation represents a crucial step towards responsible cannabis regulation. We urge the committee to consider our recommendations and collaborate to create a program that benefits the health, environment, and economy of Hawai'i and it's people.

Mahalo,

Cannabis Society of Hawai'i

cannabissocietyofhawaii@gmail.com



## Hawai'i State House of Representatives Committees on Judiciary & Hawaiian Affairs and Agriculture & Food Systems

SB 3335 - Relating to Cannabis

RE: Comments on SB 3335 March 13, 2024

Cannabis legalization posits major advances in economic diversification, social equity measures, and reduced carceral impacts on marginalized populations. With some slight alterations, this bill has the potential to remedy a number of different problems faced by the Native Hawaiian community. The Council for Native Hawaiian Advancement (CNHA) offers the following **comments to SB 3335** and recommends amendments to the revenue allocation, expungement, and non-discrimination provisions in the next draft of the bill.

Cannabis legalization stands to make a significant impact to Hawai'i's economic landscape. In the decade after Colorado legalized adult-use cannabis, the state collected \$2.6 billion in tax and revenue fee that went towards community improvement projects like recreation centers and school construction. Anxieties around cannabis negatively impacting the tourism and hospitality industries are largely unfounded; data from California shows that visits from Japan actually increased after cannabis legalization. The Legislature has the opportunity to fund improvements to our infrastructure, schools, and under-resourced communities. However, as the bill is currently written, half of the funds generated from cannabis are allocated to regulation and law enforcement with the other half of funds allocated to social equity, public health, education, and public safety. CNHA strongly recommends that at least 60% of generated cannabis revenue should be allocated to social equity measures and the remaining funds should be allocated to the general fund.

Additionally, cannabis legalization has the potential to drastically reform the criminal legal system for the better. Native Hawaiians are disproportionately impacted at every stage of Hawai'i's criminal legal system, from arrest to parole. According to a report from the Office of Hawaiian Affairs, Native Hawaiians are the largest portion of the people admitted to prisons for drug offenses, receive longer prison and probation sentences than most other racial or ethnic groups, and make up the highest percentage of people incarcerated in out-of-state facilities.<sup>3</sup> Interactions with the criminal legal system are traumatic for everyone involved: arrested or incarcerated individuals are cut off from their support systems, jobs, and land; families are destabilized; and communities are left dismantled. These effects do not end after someone has left prison, as arrest and criminal records can haunt individuals long after they have been released. If amended, cannabis legalization can dramatically reduce these negative effects that disparately harm Native Hawaiian communities.

<sup>&</sup>lt;sup>1</sup> Ricciardi, Tiney and Aguilar, John, *The first 10 years of legal marijuana in Colorado were a wild ride. What will happen in the next decade?*, The Denver Post, 31 Dec. 2023. https://www.denverpost.com/2023/12/31/coloradomarijuana-10-years-history-legalization-industry-struggles/

<sup>&</sup>lt;sup>2</sup> Visit California. https://industry.visitcalifornia.com/research/travel-forecast. Showing 537,000 visits in 2015 and 555,000 visits in 2019, while California legalized recreational cannabis in November 2016.

<sup>&</sup>lt;sup>3</sup> The Impact of the Criminal Justice System on Native Hawaiians, Office of Hawaiian Affairs, 2009. https://www.oha.org/wp-content/uploads/2014/11/factsheets\_final\_web\_0.pdf.

## COUNCIL for NATIVE HAWAIIAN ADVANCEMENT

As SB 3335 is currently written, petition-based expungement is allowed for arrest or criminal records that include the possession or distribution of marijuana. However, evidence from other states show that this is an ineffective means of achieving true clean slates. Therefore, CNHA recommends that **state-initiated expungement proceedings** instead of petitions. In addition to changes in the criminal legal system, responsible cannabis legalization should also reduce discriminatory practices in other sectors. CNHA supports the current anti-discrimination language and recommends expansion of these provisions to also **bar housing and employment discrimination for cannabis-related use, arrests, or convictions**.

Responsible, recreational cannabis is a popular policy issue, supported by a majority of Hawai'i voters<sup>5</sup> and the entirety of Maui County Council.<sup>6</sup> We cannot waste the massive amount of potential promised by cannabis legalization. For these reasons, we humbly ask that you **AMEND SB 3335** before voting in favor of the measure to build a more prosperous, sustainable, and equitable future for Hawai'i.

Me ka ha'aha'a,

Kūhiō Lewis

Chief Executive Officer, CNHA

<sup>&</sup>lt;sup>4</sup> "Unfortunately, the petition process to clear criminal records in most states is complicated and burdensome—and often costly [...] As a result, only a tiny fraction of people eligible for expungement or sealing ever obtain the relief they need. Tens of millions of people are blocked from moving forward with their lives because of their criminal record." Working with communities and government to fundamentally transform the process of clearing records, Code for America. https://codeforamerica.org/programs/criminal-justice/automatic-record-clearance/
<sup>5</sup> Mizuo, Ashley, Hawaii voters support legalizing recreational cannabis, but split on legalizing gambling, Honolulu Star Advertiser, 25 Jul. 2022. https://www.staradvertiser.com/2022/07/25/hawaii-news/hawaii-voters-support-legalizing-recreational-cannabis-but-split-on-legalizing-gambling/

<sup>&</sup>lt;sup>6</sup> Resolution No. 21-19, *Supporting Legalizing, Regulating, and Taxing Cannabis for Responsible, Adult Use,* MAUI COUNTY COUNCIL, 2021. https://mauicounty.us/wp-content/uploads/2021/02/21-20011b\_final.pdf



500 ALA MOANA BOULEVARD BOX 165 HONOLULU, HAWAII 96813

March 11, 2024

PHONE: (808)356-4400 FAX: (808)356-4499

My name is Gary Yabuta, and I am the Executive Director of the Hawaii High Intensity Drug Trafficking Area (HIDTA)--a grant-funded program of the Office of National Drug Control Policy, Executive Office of the President. The Hawaii HIDTA supports drug interdiction and demand reduction strategies by developing collaborative federal, state, and local enforcement task forces and prevention programs throughout the Hawaii, including the City and County of Honolulu, Hawaii County, Maui County, and Kauai County.

I am asking for your support by opposing the legalization of marijuana in Hawaii in the 2024 Legislative Session, in particular SB 3335. On a law enforcement perspective, Hawaii must be concerned of the infiltration of Mexican Cartel and Narco-terrorists associated to illegal marijuana growing operations nationwide, in particular legalized marijuana states, i.e., California, Colorado, etc.

On a holistic perspective, not only will there be social and public safety consequences impacted by the legalization of marijuana, but there will also be irreversible environmental harm to Hawaii's indigenous forests, species, water sources, ocean and coral life, and overall ecosystem.<sup>1</sup>

Every state that has incorporated legalized marijuana is inflected with illegal or "black market" marijuana—a commodity much cheaper than the legalized product that is attached with a government tax surcharge. Due to Hawaii's tropical climate, ample water supplies, and enriched soil, Hawaii grown marijuana yields a highly potent product, for which Hawaii has been famous for the past forty years. Legal and especially illegal marijuana production require dangerous pesticide and fertilizer products that are used indiscriminately by the

<sup>&</sup>lt;sup>1</sup> https://www.courier-journal.com/in-depth/news/investigations/2023/06/01/illegal-marijuana-grows-linked-to-mexican-cartels-fueling-a-wildlife-purge-in-the-west/69948360007/

Hawai'i HIDTA Page 2 of 2 3/11/2024

marijuana growers. These chemicals endanger our water sources, vegetation, and ocean life. Marijuana by itself is an invasive species that eliminates the reproduction of native plants and vegetation. If marijuana is legalized in our state, illicit marijuana production will flourish in Hawaii, and this invasive species will flourish and harm our indigenous forests and vegetation forever.

No state incorporated with legalized marijuana has benefitted economically, except for the manufacturers of marijuana, and mostly those who grow and sell illegal marijuana.

The social and health price tag for legalized marijuana will be enormous, with more hospitalization for cannabis use disorders, more vehicular motor vehicle accidents attributed to marijuana, lower I.Q. among those children who start using marijuana under the age of 12, and crime and social dependency associated to marijuana addiction.

Sincerely,

Gary Yabuta Executive Director Hawaii High Intensity Drug Trafficking Area

#### Testimony SB3335, SD2, Relating to Cannabis

House Judiciary and Hawaiian Affairs Committee House Agriculture Committee Hearing for SB3335, SD2 Room 325 2:00 p.m. March 13, 2024

Aloha Chair Tarnas, Chair Gates, and members of the committee,

My name is Bill Jarvis and I'm the CEO of Noa Botanicals, one of the state's eight medical cannabis dispensary licensees.

On behalf of the scores of local employees here at Noa, we stand in strong support of SB3335.

I'd like to humbly offer testimony grounded by three core facts:

- 1. Cannabis has been consumed in Hawaii for decades this is not a new industry.
- 2. There are no safeguards currently in place to ensure responsible recreational cannabis use.
- 3. While the illicit market has long benefitted from the sales of cannabis, the Hawaii community has never received the tax revenue perpetually avoided by this underground economy.

SB 3335 SD2 solves these problems, and Noa offers further comments in support of this bill:

This measure will regulate and tax an otherwise unregulated industry – It sets responsible boundaries for testing and consumption, while also establishing a new 14% tax on adult-use sales of cannabis (a potential revenue source ignored for years).

Given the precarious nature of Hawaii's finances, we support the fiscal benefits this bill creates, and a responsible "self-funding" approach - With the passage of SB3335, first year tax and fee revenue is estimated to be just shy of \$40M. Revenues come from a variety of sources including GET, the 14% cannabis sales tax, along with payroll and income taxes. Total revenue collected by the state in the first four years is estimated to be just under \$300M. Following the efficient precedent and best practices of other states like Massachusetts, Maryland and New Mexico, Hawaii could safely launch the program with less than \$10M, resulting in a payback of 3-5 months depending on ramp up times for new sales. Thereafter, incremental tax revenue can fund social equity programs, public education campaigns, enhanced enforcement initiatives, and other projects that serve the public good, such as the various "rebuild Maui" programs underway.

An existing regulatory body is already staffed, funded, and has experience to regulate the industry in the interim - the DOH's Office of Medical Cannabis Control and Regulation is fully staffed with 17 employees, has an existing operating budget of \$3-4M, along with another \$4.5M coming in from GET, license fees from existing medical dispensary licensees and patient registration fees. When you add in conversion fees proposed to convert existing licensees, the DOH in-place funding is estimated to be over \$10M in the first year. This regulatory agency is the most logical and cost-effective solution to manage the industry while the new regulatory body is stood up, without burdening the State coffers with significant appropriations.

**SB2335 SD2** is responsible, conservative legislation and serves the public good - It offers better protections for our community than exist today given illicit sales in an unregulated industry. It provides better public health protection and community education. It taxes a revenue stream that already exists and it creates a vehicle for an untaxed industry to pay its fair share of taxes. Lastly, it funds critical community projects in a State that is chronically under-funded, Quite simply, its time has come.

I strongly urge you to support and pass SB2335.

With Aloha – Bill Jarvis



#### WEED AND SEED HAWAII, INC.

91-884 Ft Weaver Rd Suite A Ewa Beach HI 96706

Site 1: Kalihi-Palama-Chinatown-Ala Moana-Sheridan Site 2: Waipahu Site 3: Ewa-Ewa Beach

March 12, 2024

Representative David A. Tarnas, Chair Committee on Judiciary & Hawaiian Affairs Representative Cedric Asuega Gates, Chair Committee on Agriculture & Food Systems Hawaii State Capitol 415 S. Beretania Street Honolulu, Hawaii 96813

Dear Representative Tarnes, Representative Gates and Members of the Committees:

My name is Gale Braceros, and I am the Executive Director of Weed and Seed Hawaii, Inc. I write this letter to you today as a testament to my 19 years of dedicated service in collaboration with the Honolulu Police Department, striving to create safer and thriving communities within the State.

Weed and Seed Hawaii, Inc. operates across three sites: Site I- Kalihi-Palama-Chinatown-Sheridan-Ala Moana, Site II-Waipahu, and Site III-Ewa-Ewa Beach. Our mission is multifaceted, addressing crime reduction through comprehensive strategies encompassing law enforcement, community engagement, social and economic revitalization, neighborhood beautification, and youth investment.

I stand before you today in strong opposition to S.B. 3335, which proposes the legalization of marijuana. Throughout my tenure, I have witnessed the pervasive challenges posed by illegal drug use in our communities. The harmful effects and potential for misuse of marijuana, in my perspective, parallel those of other illegal substances, causing harm not only to users but also to those in their immediate surroundings.

There is a genuine concern that what might begin as recreational use could escalate into the consumption of more potent and addictive substances, leading to increase engagement in criminal activities. As someone deeply invested in community well-being, I implore you not to support the legalization of marijuana as proposed in S.B. 3335.

Our communities are built on the foundation of safety, trust, and shared responsibility. It is my firm belief that legalizing marijuana may compromise these principles and exacerbate the challenges we already face in maintaining a secure and prosperous environment for our residents.

I appreciate your time and consideration of my testimony in opposition to S.B. 3335. Your thoughtful reflection on the potential consequences of this legislation will undoubtedly shape decisions that impact the lives of those we serve.

Thank you for your dedication to public service and your commitment to the well-being of our communities.

Sincerely.

Gale Braceros, Weed and Seed Hawaii

808-232-6437



#### **HIPHI Board**

Misty Pacheco, DrPH

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University of Hawai'i at Hilo

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Kathleen Roche, MS, RN, CENP Kaiser Permanente

Dina Shek, JD Medical-Legal Partnership For Children in Hawai'i

Garret Sugai

JoAnn Tsark, MPH John A. Burns School of Medicine, Native Hawaiian Research Office

#### **HIPHI Initiatives**

Coalition for a Tobacco-Free Hawai'i

Community-Based Research &

Community Health Worker Initiatives

COVID-19 Response

**Environmental Health** 

Hawai'i Drug & Alcohol-Free Coalitions

Hawai'i Farm to School Hui

Hawai'i Oral Health Coalition

Hawai'i Public Health Training Hui

Healthy Eating + Active Living

Kūpuna Collective/Healthy Aging & Community Living

Public Health Workforce Development Date: March 12, 2024

To: Representative David A Tarnas, Chair

Representative Gregg Takayama, Vice Chair

Members of the Committee on Judiciary & Hawaiian Affairs

Representative Cedric Asuega Gates, Chair Representative Kirstin Kahaloa, Vice Chair

Members of the Committee on Agriculture & Food Systems

Re: Comments on SB3335 SD2 Relating to Cannabis

Mtg: Wednesday, March 13, 2024 at 2:00 PM

Hawai'i Public Health Institute<sup>i</sup> is offering **Comments on SB3335 SD2**, which would establish a non-medicinal adult-use cannabis program as well as create a regulatory board within the Department of Commerce and Consumer Protection (DCCA) to oversee and regulate all aspects of the cannabis plant. Furthermore, it creates a tax for sales of non-medicinal use cannabis.

We appreciate the opportunity to provide comments regarding the creation of a non-medicinal cannabis program. As this is a complex and multi-faceted issue, with implications for public health, social justice, and the economy, our comments will focus on the public health aspects of this measure.

## Concerns of legalization extend beyond minimum public health protections.

First and foremost, we believe there must be minimum public health protections included in any type of non-medicinal cannabis program. These protections include, but arenot limited to minimum age restrictions, protections from secondhand smoke, and regulations on retailers. However, the legalization of non-medicinal cannabis may normalize its use, potentially leading to increased public health risks.

While HIPHI has serious public health concerns about the *legalization* of non-medicinal cannabis, we support the *decriminalization* of cannabis possession, recognizing the disproportionate impact of drug use charges and the criminal justice system on Native Hawaiians and other communities of color.<sup>ii</sup>

#### Public health concerns of cannabis use, especially among youth.

From a public health perspective, we strongly recommend the oversight of this public health issue to be in the Department of Health (DOH) as they are equipped with the public health knowledge, expertise, and experience with regulating medical cannabis to create regulatory structures that follow best-practice public health guidelines. The DOH's primary focus on health will ensure that the health and safety of the community are at the forefront of regulations of non-medicinal adult-use cannabis. For this reason, we strongly recommend that the "Department" overseeing the proposed Cannabis Program be the Department of Health.

Even without legalization, Hawai'i youth are increasingly impacted by cannabis use. According to Hawai'i Department of Health Alcohol & Drug Abuse Division (DOH ADAD), 64% of adolescents who were admitted to the emergency room with a substance event were caused primarily by cannabis in FY 2019-2020.<sup>iii</sup> By FY 2022-2023, 76.2% of those admissions were caused primarily by cannabis. Normalizing its use through legalization may exacerbate this issue.<sup>iv</sup>

The increase in emergency room visits is not the only impact on youth. Cannabis use during adolescence and young adulthood may harm the developing brain. Current evidence supports, at minimum, a strong association of cannabis use with the onset of psychiatric disorders, with adolescents particularly vulnerable to harm.

Cannabis use has been linked to a range of mental health problems, such as depression and social anxiety. People who use cannabis are more likely to develop temporary psychosis (not knowing what is real, hallucinations, and paranoia) and long-lasting mental disorders, including schizophrenia (a type of mental illness where people might see or hear things that aren't there). The association between cannabis and schizophrenia is stronger in people who start using cannabis at an earlier age and use cannabis more frequently. Given Hawai'i's existing mental health crisis, additional resources would be necessary to meet the increased demand for services.

Furthermore, any policy must address limitations on the number of retail outlets and their allowable locations. The higher density of retail stores results in areas of higher consumption.<sup>ix</sup> This reality disproportionately affects the communities in which retail stores are located. Incentivizing specific locations over others will have detrimental impacts on the people living, working, and going to school in that community. Incentivizing retailers to choose one location over another is inherently inequitable.

#### Lessons learned from states with legalized adult-use cannabis.

In places where the legalization of adult-use cannabis was enacted, there have been significant increases in pediatric exposures with increased calls to poison control centers and emergency room visits. There are increases in traffic crashes and deaths and more cannabis present in those who attempted suicide. After a decade in Colorado, traffic

deaths where drivers tested positive for cannabis increased by 138% vs. All other traffic deaths increased by 29%.<sup>x</sup>

In Colorado, where non-medicinal cannabis has been legal for a decade, use has increased substantially by both youth and adults. Yet, treatment for cannabis use for all ages decreased by 34% from 2013 to 2020.xi People feel there is no problem if they are using something legal. This behavior reflects the use of tobacco products as they first came to market. Finally, the percentage of suicide incidents in which toxicology results were positive for cannabis has increased from 14% to 29% in 2020.xii

Additionally, tax revenue from cannabis sales has also proven to be minimal relative to state budgets, raising questions about its ability to adequately fund public health initiatives. Non-medicinal cannabis tax revenue has trended downward, which could impact the sustainability of the programs being funded through that money.

We thank this committee for creating the opportunity to have meaningful public conversations about the implications of legalizing non-medicinal cannabis. We urge careful consideration of the public health implications and thank the committee for considering our comments on SB3335 SD2.

Mahalo,

Peggy Mierzwa

Peggy Mienzwa

Director of Policy & Advocacy Hawai'i Public Health Institute

<sup>&</sup>lt;sup>i</sup> Hawai'i Public Health Institute (HIPHI) is a hub for building healthy communities, providing issue-based advocacy, education, and technical assistance through partnerships with government, academia, foundations, business, and community-based organizations.

ii https://www.oha.org/wp-content/uploads/2014/11/es\_final\_web\_0.pdf

iii Hawai'i Department of Health. (2024). (rep.). Report to the Thirtieth Legislature, State of Hawai'i 2024 (Annual Report FY 2022-2023, Ser. Department of Health, Alcohol and Drug Abuse Division, pp. 36–36). Honolulu, HI.]

<sup>&</sup>lt;sup>v</sup> National Academies of Sciences Engineering and Medicine, "The health effects of cannabis and cannabinoids: Current state of evidence and recommendations for research." Washington, DC, 2017.

vi Batalla A, Bhattacharyya S, Yücel M, Fusar-Poli P, Crippa JA, Nogué S, Torrens M, Pujol J, Farré M, Martin-Santos R. Structural and functional imaging studies in chronic cannabis users: a systematic review of adolescent and adult findings. PLoS One. 2013;8(2):e55821.

 $<sup>^{</sup>vii}$  https://www.psychiatry.org/getattachment/12aa44f8-016e-4f8c-8b92-d3fb11a7155f/Position-Cannabis-as-Medicine.pdf

viii https://www.cdc.gov/marijuana/health-effects/teens.html

<sup>&</sup>lt;sup>ix</sup> Caulkins, J., Kilmer, B., Kleiman, M., MacCoun, R., Midgette, G., Oglesby, P., . . . Reuter, P. (2015, January 16). Insights for Vermont and other states CONSIDERING marijuana legalization. Retrieved February 15, 2021, from <a href="https://www.rand.org/pubs/research">https://www.rand.org/pubs/research</a> reports/RR864.html

<sup>\*</sup> https://www.ncbi.nlm.nih.gov/pmc/articles/PMC8672945/

xi cid

xii cid

https://www.taxpolicycenter.org/taxvox/cannabis-tax-revenue-down-some-states-and-maybe-thats-okay					



Date: March 11, 2024

To: Representative David Tarnas, Chair Committee on Judiciary and Hawaiian Affairs Representative Cedric Gates, Chair Committee on Agriculture and Food Systems

Fr: Noah Phillips - Hawaiian Ethos

Re: Testimony In Support of Senate Bill (SB) 3335 SD2

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

Dear Chair Tarnas, Chair Gates, and Members of the Joint Committees:

Hawaiian Ethos **Supports SB3335 SD2 With Amendments** detailed below as an important bill for the establishment of the State's Adult Use Cannabis Program. Hawaiian Ethos is a vertically integrated licensed dispensary operating in the State of Hawai'i since 2018, with three retail locations in the Hilo, Kona, and Waimea areas on the Island of Hawai'i and is the only provider of completely clean, solventless medical cannabis products in the State of Hawai'i.

We **strongly support** the decriminalization of cannabis in Hawai'i. As an existing medical cannabis dispensary on Hawai'i Island, we have seen first-hand the benefits that responsible cannabis use can provide to patients. We believe the responsible, personal use of cannabis should not be illegal. The harms inflicted upon individuals and communities from the prohibition of cannabis needs to end.

As an already participating member of the medical cannabis industry in Hawaii, we request that any new legislation support the transition of existing medical licensees into the new legal framework. While we believe that the future legal framework needs to be built to develop and sustain new participants, we request the state streamline the transition of existing medical licenses to ensure that an adequate supply of products is available in order to service both the Adult Use and Medical markets.

Proposed Amendment: SECTION 50. (a) Each existing medical cannabis dispensary whose license remains effective pursuant to section 48 of this Act may convert their operation into licenses under chapter A, Hawaii Revised Statutes, before January 1, 2025; provided that the existing medical cannabis dispensary may only convert existing licensed operations and premises; provided further that an existing medical cannabis dispensary may only be issued up to three cannabis cultivator licenses, three cannabis processor licenses, three medical cannabis dispensary licenses, and three retail cannabis store licenses, but not to exceed nine licenses in total, in accordance with chapter A, Hawaii Revised Statutes, and rules adopted thereunder.



Replace stricken language with:

"notwithstanding any restrictions on the maximum number of licenses, license type or license size, or plant canopy square footage in this Act, each existing medical cannabis dispensary may convert all of its existing licensed operations and premises at the time of conversion before January 1, 2025, without limitation to maintain the current cannabis market without disruption. Conversion to a cannabis cultivator license shall convert each site to a single license. The authority may grant existing medical cannabis dispensary operations additional licenses to ensure the adequate supply of both medical and adult-use cannabis during the conversion of existing licenses and prior to the issuance of new licenses."

A successful and community-inclusive implementation of a legal adult use cannabis system has the potential to create a long-term sustainable economic industry for Hawaii, a place renowned for its quality of local-grown flower. We urge the legislature to view Hawaii's established cannabis industries holistically, understanding that a partitioned and fractured marketplace is not in the best interest of any local stakeholders. If implemented well, legalization of cannabis could create a new agriculturally oriented market that both the state and its community members can benefit from for future generations.

Thank you for the opportunity to testify.

Noah Phillips, Esq. on Behalf of Hawaiian Ethos 677 Ala Moana Blvd., Suite 904 Honolulu, Hawai`i 96813 Phone: (808) 489-9549

Web site: <a href="http://www.hysn.org">http://www.hysn.org</a> E-mail: <a href="mailto:info@hysn.org">info@hysn.org</a>

Vonnell Ramos, President Cyd Hoffeld, Vice President Sione Ford Naeata, Treasurer Greg Tjapkes, Secretary

Judith F. Clark, Executive Director Network Membership

Big Brothers Big Sisters Hawai'i Big Island Substance Abuse Council

Council
Bobby Benson Center
Child and Family Service
Coalition for a Drug-Free Hawai'i
Collins Consulting, LLC
Domestic Violence Action Center
EPIC 'Ohana, Inc.
Family Programs Hawai'i
Family Support Hawai'i
Friends of the Children's Justice
Center of Maui
Get Ready Hawai'i
Hale Kipa, Inc.

Get Ready Hawai i
Hale Kipa, Inc.
Hale 'Opio Kaua'i, Inc.
Hawai'i Children's Action
Network

Hawai'i Health & Harm Reduction Center Hawaii Island Community' Health Center Ho`ola Na Pua

Hoʻokele Coalition of Kaua'i Ka Hale Pomaika'i Kahi Mohali

Kokua Kalihi Valley Kaua'i Planning and Action Alliance

Maui Youth and Family Services
Na Pu`uwai Molokai Native
Hawaiian Health Care
Systems

P.A.R.E.N.T.S., Inc.
Parents and Children Together
PHOCUSED

PFLAG – Kona, Big Island Planned Parenthood of the Great Northwest, Hawaii Alaska, Kentucky, Indiana

Residential Youth Services & Empowerment (RYSE)

Salvation Army Family
Intervention Services
Sex Abuse Treatment Center
Susannah Wesley Community

Center
The Catalyst Group

Representative David Tarnas, Chair
And members of the Committee on Judiciary and Hawaiian Affairs

Representative Cedric Gates, Chair Committee on Agriculture and Food Production

March 11, 2024

#### **COMMENTS ON SB 3335 SD 2 RELATING TO CANNABIS**

Hawaii Youth Services Network (HYSN) is providing comments about the proposed use of the tax revenues if SB 3335 SD 2 Relating to Cannabis passes.

HYSN believes that the tax revenue should support positive youth development and prevention programs that help young people grow up safe, healthy, and ready to succeed. Specifically, HYSN recommends the amendments below.

Page 163, Lines 6 – 11, Regarding Social Equity Program, amend section to read:

(2) Provide grants to assist social equity applicants that are community-based organizations for the purpose of developing, implementing, and supporting nonprofit projects, services, and program that address community needs of disproportionately impacted areas, including housing and child care programs child care, after-school and summer programs, and programs that build youth resiliency.

Page 166, Line 1, Regarding annual report on social equity program, add new item:

(4) Grands awarded to Child care, after-school and summer programs and programs that build youth resiliency by County and program outcomes.

Page 171, Lines 1-12, Regarding Public health and education grant program, amend to read:

- (2) Provide grants to assist community-based organizations with developing, implementing, and supporting youth services, including <u>child care</u>, <u>after-school and summer programs</u>, and programs that build youth resiliency, youth recreational centers, services for <u>supportive</u> housing, counseling, and preventing or treating youth substance abuse;
- (3) Provide grants to assist community-based organizations with developing, implementing, and supporting programs for individuals with a dual diagnosis of mental disorder and substance abuse disorder, including service for <u>supportive</u> housing, residential treatment, outpatient treatment, counseling, and other related services;

Page 174, Line 1, Regarding public health and education grant program annual report, add:

- (4) The extent and reach of the public health and education campaigns;
- (5) The number of adult and youth substance abuse and dual diagnosis prevention and treatment programs served by County;
- (6) The number of youth support and resiliency programs served by county;
- (4) If applicable, the number of new jobs and other forms of economic output created as a result of the grants.

Thank you for this opportunity to testify.

Sincerely.

Judith F. Clark Executive Director

Gudatto F. Clark



#### TESTIMONY FROM THE DEMOCRATIC PARTY OF HAWAI'I

### HOUSE COMMITTEES ON JUDICIARY AND HAWAIIAN AFFAIRS and AGRICULTURE AND FOOD SYSTEMS

**MARCH 13, 2024** 

SB 3335, SD 2, RELATING TO CANNABIS

**POSITION: COMMENTS** 

The Democratic Party of Hawai'i provides the following **comments** on SB 3335, SD 2, relating to cannabis. In 2016, delegates to the Democratic Party of Hawai'i's state convention passed a resolution (EDU 2016-05) supporting the legalization of adult-use recreational cannabis to generate revenue for public services, such as education.

It is high time that Hawai'i stopped criminalizing people for ingesting a plant, but this bill needs significant work before moving forward. While cannabis remains illegal under federal law, where it is classified as a Schedule I substance, the facts about cannabis consumption are clear. To begin, cannabis has a lower organic toxicity and addictive risk than alcohol, along with fewer correlating incidents of influence-related accidents and violence. More than half of all traffic fatalities in Hawai'i involve alcohol, yet no one seriously discusses the possibility of prohibition because of path dependence. In other words, alcohol is ingrained in our culture in a way that cannabis consumption is not, despite the former being more dangerous, statistically speaking, than the latter.

Similarly, cannabis abuse and dependence afflicts approximately 1.7 percent of the U.S. population, while alcohol abuse afflicts roughly 7.5 percent—over four times as many individuals. Cannabis is also not conclusively linked to an increase in violent behavior. Rather, reports supposedly linking cannabis to violent crimes typically rely on information gathered by the Office of National Drug Control Policy, which, in turn, relies on source material that a) does not account for drug-trafficking and dispositional or psychological disorders; and b) fails to account for levels of deviancy (increased usage beyond average consumption rates). A starker statistical correlation exists between increased alcohol consumption and violent crime, including child and intimate partner abuse, yet, again, no one is introducing, much less considering the merits of, limiting the personal consumption of alcohol.

Additionally, only 30 percent of frequent (every other day or more) cannabis users report symptoms suggesting dependence, in contrast to nearly 70 percent for nicotine and 88 percent for harder drugs, like cocaine, calling into question legal opinions asserting that cannabis and hard drugs can be readily correlated to one another. If we do not criminalize overconsumption of the more dangerous drug of alcohol, in and of itself, why, once more, do we unduly criminalize cannabis consumption, particularly in small amounts?

Legalizing recreational cannabis is an issue of restorative justice. As the visitor industry reaps record profits and supports expanding the local prison-industrial complex, people of Native Hawaiian ancestry, who comprise approximately 25 percent of the state's population, suffer the pangs of a biased criminal in-justice system. Approximately 39 percent of incarcerated detainees are Hawaiian, according to a comprehensive study by the Office of Hawaiian Affairs, with the proportionality gap being even greater for Hawaiian women, who comprise 19.8 percent of the state's female population, but 44 percent of the state's female inmate population. Researchers also found that, on average, Hawaiians receive longer sentences, more parole revocations, and, importantly for this measure, harsher drug-related punishments than other ethnic groups, including for cannabis possession. We appreciate that expungement provisions have been contained in this measure. This must be included in any justice-oriented legalization program enacted for our state.

<u>In tax revenue annually for our state</u> according to a study published by the Hawai'i Cannabis Industry Association and would produce substantial additional criminal justice savings that could be spent delivering a quality public education to our keiki, building 21<sup>st</sup> Century school facilities, and disrupting the school-to-prison pipeline. Even a more conservative \$50 million revenue estimate produced by the Hawai'i Department of Taxation is enough to "stand up" a local cannabis industry. Many states have established well-regulated recreational cannabis industries for less than \$5 million.

As we struggle to fix our state's overcrowded prisons, we must enact systemic solutions that promote social justice and help to alleviate Hawai'i's mass incarceration problem. If implemented sensibly, cannabis legalization could lead to the most comprehensive mass expungement program ever seen on our shores, with people who have been incarcerated for cannabis infractions having their criminal records expunged and being released from the legal constraints that have unjustly impeded their ability to attain financial security and, in many cases, stolen their basic freedom.

Social equity must form the heart of any forward-thinking cannabis legalization program. Our society's most marginalized people should be first in line to participate in the cannabis industry that we are seeking to grow. Agricultural and business practices should be based on regenerative, sustainable, and indigenous cultivation methods to ensure that cannabis operations uplift the needs and values of Hawai'i residents, not the profits of multistate corporations. This measure fails to center social equity, however, and instead relies on a draconian law enforcement paradigm that would undermine any sound and sensible legalization effort.

There are numerous problems with this measure that weaken its impact and undercut its purpose, including the following:

- The bill creates an unscientific DUI law by criminalizing adults for 10 nanograms per milliliter of THC in their system, an amount that can remain long after impairment wears off;
- The proposal imposes up to 30 days in jail for anyone who possesses a cannabis package that has ever been opened, loose cannabis, or any pipe in the passenger area of a vehicle;
- The measure prohibits consuming cannabis in any public place or a vehicle:

- The proposal provides that penalties are only removed for those who are in "strict compliance" with the law, such that a minor violation, such as cannabis plants being visible to neighbors, could result in jail time;
- The bill re-criminalizes possession of up to three grams of cannabis for those under 21, imposing a petty misdemeanor, which carries up to 30 days in jail and/or a fine of up to \$1,000;
- The bill fails to include non-discrimination protections for consumers related to child custody, state benefits, occupational licensing, and parole/probation revocation;
- The measure weakens existing law providing that medical use of cannabis doesn't disqualify a patient from an organ transplant or other needed medical care;
- The bill creates a new cannabis law enforcement unit, with 17 new law enforcement positions, and establishes eight positions in a drug nuisance abatement unit in the AG's office, which will only serve to increase cannabis violations—notably, the bill does not provide funding for mental health or drug rehabilitation programs or other initiatives that prevent addiction, such as after-school programs; and
- The proposal only provides \$10 million for social equity programming, at best, which is far less than what is needed to uplift racial and geographic communities that have been disproportionately harmed by the racially discriminatory war on cannabis.

The Democratic Party of Hawai'i Strongly urges your committee to address these issues before advancing SB 3335. We must legalize cannabis in a manner that is responsible, just, and equitable for our island home.

Mahalo nui loa,

#### Kris Coffield

Co-Chair, Legislative Committee (808) 679-7454 kriscoffield@gmail.com

#### **Abby Simmons**

Co-Chair, Legislative Committee (808) 352-6818 abbyalana808@gmail.com

#### SB-3335-SD-2

Submitted on: 3/12/2024 12:14:35 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Roger Christie	The Hawai'i Cannabis THC Ministry	Support	Written Testimony Only

#### Comments:

#### Aloha. "Legalize it!"

Bob Marley would approve of the concept, but strongly object to the freedom-denying, cumbersome, mind-numbing and costly details of SB3335. I agree. Let's make it simple and enhance individual rights with free access to Cannabis; it's long overdue and right on time.

Please keep in mind that ... "The harder the prohibition = the harder the drugs." A terrible pattern has been established here for decades of punitive thinking that CREATES crime and violence out of otherwise nice people. Here's your chance to lighten up on us. Thank you.

"If there is no victim - there is no crime." Please delete all the new crimes and new Big Brother budget items this bill proposes.

I support individual rights, the personal, constitutional right to privacy and freedom enhancing proposals. You should, too. It's your oath of office and your promise to your constituents.

Although there is much to admire about our new Hawai'i County Police Chief Ben, I object to his letter of opposition on this bill. By omission he falsified the provable record and twisted facts to suit his position. Similar to the lies that started World War II, the war in Vietnam, the war in Iraq and the war on terror, the war on "marijuana" began and has been maintained with ignorance, malace and lies. Chief Ben knows better, partly because I literally hand delivered this evidence to him.

For example: Judge and former U.S. Attorney Ed Kubo is quoted as saying, "We're not proud of it. But crystal methamphetamine is our gift to the nation. It started here." Some gift. Where is the recognition, the accountability and then the apology for the massive damage, for the human suffering and the financial and other costs created by years of wrong thinking legislation?

How did the epidemic of meth, "ice", crime and violence, now opioids, and Fentanly start here and continue to this day? The "marijuana eradication program", or Green Harvest was and remains the proven cause. Chief Ben omitted that important fact. (Please see "Ice and Other Methamphetamine Use; An Exploratory Study 1991 - 1994" by the U.C. Berkeley School of Public Health, and N.I.D.A., Patricia Morgan, Lead Researcher).

Chief Ben also omitted the fact that the voters of Hawai'i County approved the Lowest Law Enforcement Priority of Cannabis Ordinance, or "Peaceful Sky" ballot initiative by a majority in 2008. It denies any funding to police and prosecutors for investigating, arresting and/or prosecuting the cultivation and possession of 24 Cannabis plants or less in private, at home by adults. Ordinance 08-181. Growing 24 Cannabis plants or less is a misdemeanor recognized by H.R.S. as a personal use amount and it's my recommendation for the allowable amount in this bill.

Chief Ben omitted the fact that all humans are born with a God-given endocannabinoid system that requires some cannabinoids for homeostasis. All Mother's milk naturally contains cannabinoids for newborn nutrition. There is no criminal intent in wanting Cannabis; it's a God-given need and biological desire. To criminalize it is evil and has proven to be outrageously, painfully counterproductive.

Prohibition causes crime and violence and inflated police budgets. It makes crime renewable and sustainable. Ask your great-grandparents about alcohol prohibition. It created crime and violence in its days, but no one gets shot over beer profits anymore since alcohol prohibition ended.

Cannabis prohibition is, among other terrible things, a form of population replacement that penalizes mostly low budget locals and fills jails and prisons (in Hawai'i and Arizona!) with well meaning citizens who became criminals due to misguided public policies. It's the main reason for the homeless epidemic here. People used to grow wealth in their backyard and on a sunny lanai. Do you remember the very happy 1980's here?

The members of the THC Ministry believe that Cannabis was the original tree of life denied to humans by the demi-gods who created us Homo sapiens sapiens described in the first pages of the Bible. However, in the last chapter the tree of life is mentioned three times for emphasis as the conclusion of the story. In Rev. 22:03, Rev. 22:14 and Rev. 22:19 Cannabis returns to heal the nations, restore Eden and in doing so to overcome original sin. It's the RIGHT to the Cannabis tree of life that's important in your deliberations. Help us to fulfill the book. Allow adults our natural, biological RIGHT to the tree of life.

I hope you've noticed that we're all facing massive shortages of food going forward. The US dollar is losing value daily. We're reported to be short 250 doctors just on the Big Island. These challenges can be eased greatly with free access to Cannabis. Let freedom ring!

In 120 days or less the good people of Hawai'i could have a world famous, multi-million dollar Cannabis harvest; an agricultural economic engine for health, wealth, happiness, holiness and sustainability by ending prohibition and respecting full and free access to Cannabis. Make it happen!

The Cannabis plant is natural and inherently lawful. It's essential. It's use can prevent pain and disease. To qualify for medical Cannabis one needs to be sick first. That's backwards. The current laws against Cannabis are criminal. Please correct this with SB3335.

We can only be the land of the free if we are first the home of the brave. Be brave! Thank you.

Roger Christie for The Hawai'i Cannabis THC Ministry

Hilo



# Written Testimony on SB3335 March 12, 2024 Hawaii House of Representatives

Kevin Sabet, Ph.D.

President & CEO, Smart Approaches to Marijuana (SAM)

Former Obama Administration Drug Policy Advisor

http://www.learnaboutsam.org

This testimony is based on my own expertise and that of over a dozen top scientists who serve on the Advisory Board of Smart Approaches to Marijuana (SAM). In 2013, after serving in the White House Office of National Drug Control Policy (ONDCP) during the Clinton, Bush, and Obama Administrations, I co-founded Smart Approaches to Marijuana (SAM) with U.S. Representative Patrick Kennedy (D-RI). SAM is the leading non-partisan, non-profit national organization offering a science-based approach to marijuana policy. We work with local Hawaiians to raise awareness about the harms of today's highly potent marijuana.

SB3335 is bad public policy and should be opposed. The bill presents major public health and safety problems for Hawaii and will result in many other negative consequences, for at least six main reasons:

## 1. SB3335 will hurt the environment and could harm Hawaii's environment and could worsen wildfires.

Marijuana legalization has detrimental effects on the environment. As described in a Congressional <u>letter</u> to the Department of Interior, legalization has led to an increase in harmful cultivation practices. Approximately 80% of marijuana is cultivated indoors, an energy-intensive method. In fact, indoor marijuana cultivation consumes 709 kBtu/sq ft, (a typical office building consumes 40-50 kBtu/sq ft).

Over  $\underline{1.4 \text{ million pounds}}$  of fertilizers and toxicants are used annually at outdoor marijuana grows sites in California. Marijuana cultivation accounts for  $\underline{10\%}$  of industrial electricity consumption statewide in Massachusetts. In Colorado, emissions from marijuana cultivation



are similar to the state's emissions from trash collection and coal mining. Additionally, research estimates that the electricity demand for marijuana grows will increase over the next ten years by 65%.

According to a <u>report</u> from the National Conference of State Legislatures: "An indoor facility can have lighting intensities similar to hospital operating rooms, which are 500 times greater than recommended reading light levels. These facilities can also have 30 hourly temperature or fan speed air changes, which is 60 times the rate in a normal home. Put another way, a four-plant lighting module uses as much electricity as 29 refrigerators."

In 2023, Hawaii experienced tragic wildfires that killed at least 100 people. In California, marijuana grows have negatively impacted the state's wildfire problems. According to a 2022 study conducted by Berkley researchers, "cannabis farming was located more often in high and very high FHSZs [fire hazard severity zones] and closer to wildfire perimeters than any other agricultural type."

In many states, legalization has led to an expansion of the illicit market and illicit cultivation, which increases the risks for wildfires as illicit marijuana cultivation has been known to cause wildfires. According to an <a href="NBC report">NBC report</a>, "[marijuana] grow operations in California have rerouted millions of gallons of water, caused a 125,000-acre wildfire in Big Sur and helped add at least one species to the endangered list."

Marijuana-related wildfires will not only pose a threat to Hawaii's land, but its economy. A 2023 study by the Berkley Cannabis Research Center concluded, "cannabis farms experienced wildfire-related crop losses across all cannabis growing regions in 2020. Northern regions experienced particularly high crop loss across all four study years. Potential economic losses in 2020 and 2021 were estimated at \$1.44 billion and \$970.04 million, respectively."

Marijuana legalization would be irresponsible at a time when all measures should be taken to prevent the proliferation of wildfires.

#### 2. SB3335 will increase youth marijuana use and negatively impact public health.

SB3335 has no explicit THC potency cap. High-potency THC products are proven to be more addictive and detrimental to public health; their risks are exacerbated in young people with still-developing brains. Between 1995 and 2021, the average potency of marijuana flower increased from 3.96% in 1995 to 15.34% in 2021. Vapes and other concentrates are often above 90% THC. Users of <a href="https://high-potency.new.org/linearity/">https://high-potency.new.org/</a> are four times more likely than users of low-potency products to become addicted. Daily users of marijuana above 10% THC are nearly five times



more likely to develop <u>psychosis</u> than non-users. The National Institute on Drug Abuse warned, "The risks of physical dependence and addiction increase with exposure to <u>high concentrations</u> <u>of THC</u>, and higher doses of THC are more likely to produce anxiety, agitation, paranoia, and psychosis."

Many states, particularly those without THC caps, have experienced other negative effects of legalization. Several rigorous academic studies compare youth marijuana use within legal marijuana (LM) before and after the policy is adopted and/or compare the trajectory of youth marijuana use in LM states to youth marijuana use in non-LM states. Many recent studies suggest that youth marijuana use has increased in states that legalized recreational marijuana.

For example, <u>Cerdá et al.</u> found that the prevalence of teen cannabis use disorder increased 25% after recreational marijuana legalization enactment compared to states that did not enact such laws. <u>Paschall et al.</u> found that California's recreational marijuana law was associated with 18% and 23% increases in the likelihood of lifetime and past 30-day marijuana use among middle and high school students, respectively. <u>Lee et al.</u> found that, relative to Hawaii, the likelihood of high school lifetime and current marijuana use increased 29% and 34% after recreational marijuana was legalized in Alaska. <u>Bailey and colleagues</u> found nonmedical marijuana legalization among a large cohort of youth in Seattle, Washington, predicted a more than 6 times likelihood of self-reported past year marijuana and a more than 3 times likelihood for alcohol use among youth when controlling birth cohort, sex, race, and parent education.

The addictive nature and negative health effects of marijuana are numerous. There is evidence that associates adolescent marijuana use with long-term negative health and social outcomes. A study of 45,570 Swedish men who were drafted into the military found that men who tried marijuana by age 18 were 2.4 times more likely to be diagnosed with schizophrenia over the next 15 years than those who had not. In the same Swedish study, chronic marijuana users had a significantly higher risk of unemployment and the need for welfare assistance by middle age.

A 2017 report by National Academy of Sciences (NAS) written by top scientists, entitled *The Health Effects of Cannabis and Cannabinoids: Current State of Evidence and Recommendations for Research*, concluded after a review of over 10,000 peer-reviewed academic articles, that marijuana use is connected to a number of problems, including:

- respiratory problems;
- mental health issues (like psychosis, social anxiety, and thoughts of suicide);
- increased risk of car accidents:
- progression to and dependence on tobacco, alcohol, and other drugs;
- learning, memory, and attention loss (possibly permanent in some cases);



#### • and low birth weight.

The marijuana industry has always been inundated with influence and financing from big tobacco, another industry that has already proven itself to target minorities and ignore public health costs in their push for profit. Tobacco behemoth Altria funds the <u>Coalition for Cannabis Policy, Education and Regulation (CPEAR)</u>, a group that lobbies for marijuana legalization at the federal level. This activity follows Altria's massive <u>\$1.8 billion dollar investment</u> in Canadian cannabis company Cronos Group in 2018.

This is just one example of Big Tobacco's push for legalization. In July 2019, less than one year after the legalization of marijuana in Canada, British Tobacco company Imperial Brands paid £75m (\$93.5m USD) for a 19.9% stake in Canadian company Auxly Cannabis Group. In June 2019, San Francisco-based, PAX Labs, the developer of the Juul vaping device, partnered with four Canadian pot stocks to serve as the supplier for "cannabis extracts, resins, and distillates" for its PAX Era pen-and-pod vape system with the goal of being the go-to vaping device in Canada.

Big Tobacco has been lining their pockets by marketing to kids for decades. There is no doubt they will use the same playbook to get the next generation hooked on high-potency marijuana.

#### 3. SB3335 will be a strain on Hawaii's budget.

When costs are counted, legalized recreational marijuana will not bring in revenue for Hawaii. The social costs associated with marijuana far outweigh any revenue that it brings in. A study <u>SAM</u> undertook in New York found that upfront budgetary costs to law enforcement and emergency services could range from \$190.3 to \$235.2 million.

Ongoing annual estimated costs range from \$157.5 to \$192.2 million. Car crashes would cost another \$44 million between 2018 and 2028. Second, car crashes have a broader negative societal impact in terms of increased hospitalizations (paid for in part by public health agencies), emergency departments, and deaths.

Overall societal costs between 2018 and 2028 would mean \$388 million in hospitalization charges—of which \$34.5 million will be paid for by public funded sources such as Medicaid and Medicare—\$253 million in emergency department visits, and \$4.3 billion in the value of lost lives.



While advocates are quick to tout tax revenue as a counterbalance to this arrangement, like with the lottery, the additional funds are not nearly enough to fix budget shortfalls. Every year, there will always be claims of a silver bullet for the budget. <u>US Census data</u> shows that marijuana legalization has not been this silver bullet in any state with a legal program. In 2023 Q3, marijuana excise sales tax revenue did not account for more than 1.45% of any state's total tax revenue. Only three states with recreational legalization had marijuana excise sales tax revenues that amounted to more than 1% of the total tax revenue.

Marijuana legalization would also result in a variety of currently unquantifiable costs, including:

- Increases in alcohol use and misuse;
- Increases in tobacco use;
- More opioid misuse;
- Increases in short-term/long-term recovery for marijuana use disorders;
- Greater marijuana use among underage students;
- Property and other economic damage from marijuana extraction lab explosions;
- Controlling an expanded black market, sales to minors, and public intoxication;
- Other administrative burdens of most state legalization programs, such as:
  - o money for drugged driving awareness campaigns;
  - o drug prevention programs; and
  - o pesticide control and other agricultural oversight mechanisms.

In Colorado, the first state to legalize recreational marijuana, one <u>estimate</u> found that every \$1 in tax revenue is associated with \$4.50 in costs. In some cases, the false promise of budget windfalls from marijuana taxes has negatively impacted communities directly. In 2023, the Salvation Army <u>warned</u> that a homeless shelter in Aurora, Colorado would have to close if marijuana tax revenues weren't boosted. The homeless shelter, which heavily relies on marijuana tax money, received only \$180,000 of the \$1,000,000 in marijuana tax revenue they needed after significant shortfalls.

#### 4. SB3335 will reinforce, not diminish, the illicit market for marijuana.

Supporters of legalization assured the general public that this policy experiment would result in the displacement of the illicit market—consumers would purchase from dispensaries, not dealers on the corner, they argued. However, as we have seen in states across the country, the opposite has occurred. The expansion of the illicit market has coincided with the legalization of marijuana, to the detriment of public health and safety.



According to a September 2022 report from Leafly, a pro-marijuana publication, 80% of marijuana sales in New Jersey continue to occur in the illicit market. In Michigan, they estimated that 60% of sales occur in the illicit market. And in Illinois, it is 55%. According to the LA Times, the illicit market controls 75% of the marijuana market in California. As we have recently seen in New York, particularly in New York City, legalization has given illicit operators cover to open unregistered, unlicensed dispensaries—1,400 illicit shops have popped up in New York City alone. Evidently, legalization has failed to eliminate the black market and has actually exacerbated it.

#### 5. SB3335 will aggravate impaired driving.

Marijuana-impaired driving is rising while the perception of its negative consequences is simultaneously decreasing. A 2020 <u>study</u> authored by researchers at New York Medical College and Harvard University found marijuana commercialization was associated with an increase of 2.1 traffic fatalities per billion vehicle miles traveled (BVMT). Meaning, if marijuana were legalized nationwide, it would be associated with 6,800 excess roadway deaths each year.

In Colorado, marijuana is involved in more than <u>one in four road deaths</u>, and that number is rising. Traffic deaths involving drivers who tested positive for marijuana more than doubled from 2013 to 2019. Furthermore, <u>47%</u> of Colorado drivers who tested positive for marijuana at a level of 5.0+ THC, also had a BAC of 0.08 or higher.

#### 6. SB3335 could negatively impact tourism in Hawaii.

In 2019, Japanese tourists spent \$2.19 billion in Hawaii. According to Ted Kubo, president and CEO of the tourism agency JTB Hawaii, marijuana legalization will stop Japanese tourists from coming to Hawaii. "Possession and use of marijuana is not accepted at all in Japanese society," Kubo says. "Associating Hawaii with recreational marijuana is very risky and concerning."

In conclusion, SB3335 will harm Hawaii. Marijuana legalization is a failed experiment that negatively impacts communities and families. Legalization in Hawaii could damage the state's land, hurt its kids, put a strain on its budget, grow its illicit marijuana market, and make its roads less safe. I urge the legislature to oppose SB3335.



#### Senate Bill 3335 (SD 2): Analysis and Recommended Changes

Prepared for: Hawaii House of Representatives Committees on Judiciary & Hawaiian Affairs and Agriculture & Food Systems

Prepared by: Geoffrey Lawrence, Director of Drug Policy

reason Date: March 13, 2024

#### Senate Bill 3335 Contains Important Protections and Stringent Overregulation

Dear Chair Tarnas, Chair Gates, and Members of the Committees:

On behalf of Reason Foundation, I thank you for accepting these comments and making them part of the public record. Among other things, 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. Senate Bill 3335 contains many constructive components, but also would 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.

Below, we outline both the bill's constructive components as well as potential areas for improvement:

#### **Constructive Provisions:**

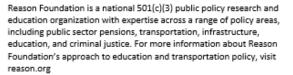
- Basis of licensing decisions: Sec. A-17(3) stipulates that the qualifications for licensure should be "directly and demonstrably related to the operation of a licensed business."
- Change of ownership: Sec. A-17(17) makes clear that regulations must be designed to facilitate a change in ownership of a licensed business. Many entrepreneurs develop a business with the hope of later selling it to realize their financial goals. This is an important market function.
- Local control: Sec. A-25(a) strikes an appropriate balance for local control of commercial cannabis activity by allowing counties to use zoning ordinances to "place reasonable restrictions on the location of licensed businesses." This stops short of allowing counties to ban commercial cannabis activity. In other states, local bans on legal sales have created opportunities for illicit sellers to thrive.
- Outdoor cultivation permitted: Sec. A-17(12) makes clear that security requirements cannot
  preclude cultivation in a greenhouse or outdoor area. These methods of cultivation are less
  costly and consume less energy. This results in savings to both producers and consumers and
  makes the legal market more price-competitive with the illicit market.
- Automatic expungement of prior cannabis convictions: SB 3335 has been amended to include Sec. A-63, which provides for the automatic expungement of past convictions for the distribution or possession of marijuana by January 1, 2026. In the interim, individuals can petition to have these convictions expunged. Society should not continue to penalize individuals



- for actions that are legal today.
- New license types: Sec. A-118 grants the board flexibility to create new types of cannabis licenses not currently specified within the bill. This flexibility is important because it allows regulators to address emergent market needs. For instance, regulators in Michigan used a similar provision to create a temporary cannabis event license once it became clear that such a license type would be necessary.
- Training for drug recognition experts: Sec. A-161(b)(1) directs a portion of cannabis tax revenues to be used for training of drug recognition experts within law enforcement. Research indicates this is the best available method for law enforcement to determine inebriation from marijuana.<sup>1</sup>
- Banking protections: Sec. A-171 protects financial institutions from liability under state law for servicing marijuana licensees as account holders. Subsection (c) also authorizes the cannabis authority to enter into data-sharing agreements with financial institutions once consent has been obtained from a licensee. These agreements will allow financial institutions to access the licensee's application documents and transaction histories so they can complete know-your-customer requirements and verify that all transactions are legitimate. This form of data sharing is the best measure states can enact to facilitate financial services for cannabis licensees because it eliminates the administrative burdens facing financial institutions to comply with guidance from the U.S. Treasury Department.<sup>2</sup>
- Competitive retail excise tax: Sec. 26 outlines a retail excise tax against cannabis goods at the rate of 10%. Cannabis goods would also be subject to the statewide sales and use tax of 4%. Medical cannabis products would be exempt from excise tax. As can be seen in the table on the following page, this tax structure would be among the most competitive in the nation. Limiting the tax burden is crucial if policymakers hope to displace the illicit market because taxes create a price disparity between legal and illicit goods.<sup>3</sup>

<sup>&</sup>lt;sup>3</sup> Geoffrey Lawrence and Spence Purnell, "Marijuana Taxation and Black Market Crowd-Out," Reason Foundation Policy Study, January 2020, <a href="https://reason.org/policy-study/marijuana-taxation-and-black-market-crowd-out/">https://reason.org/policy-study/marijuana-taxation-and-black-market-crowd-out/</a>.







<sup>&</sup>lt;sup>1</sup> Teri Moore and Adrian Moore, "A Common Sense Approach to Marijuana-Impaired Driving," Reason Foundation Policy Study, January 2019, <a href="https://reason.org/policy-study/a-common-sense-approach-to-marijuana-impaired-driving/">https://reason.org/policy-study/a-common-sense-approach-to-marijuana-impaired-driving/</a>.

<sup>&</sup>lt;sup>2</sup> Geoffrey Lawrence, "Marijuana Industry Financial Services: The Obstacles and the Policy Solutions," Reason Foundation Policy Brief, September 2019, <a href="https://reason.org/policy-brief/marijuana-industry-financial-services-the-obstacles-and-the-policy-solutions/">https://reason.org/policy-brief/marijuana-industry-financial-services-the-obstacles-and-the-policy-solutions/</a>.

Marijuana Tax Structure by State								
State	Retail Excise	Avg. Gen. Sales	Addt'l Local	Total Retail Tax	Wholesale Tax			
	Tax	Tax	Excise Tax					
AK		N/A	Varies	0.00%	\$800/pound			
AZ	16%	8.37%	2%	26.37%				
CA	15%	8.85%	Varies	23.85%				
CO	15%	Exempt	Varies	15.00%	15%			
IL*	10%, 20%, 25%	8.84%	3.5%	22.34% -	7%			
				37.34%				
MD	9%	Exempt		9.00%				
ME	10%	5.50%		15.50%	\$335/pound			
MA	10.75%	6.25%	3%	20.00%				
MI	10%	6%		16.00%				
MO	6%	8.36%	3%	17.36%				
MT	20%	N/A	3%	23.00%				
NV	10%	8.24%	3%	21.24%	15%			
NJ		6.60%	2%	8.60%	\$17.60/pound			
NM	12%	7.60%		19.60%				
NY**	9%	Exempt	4%	13.00%	\$0.005, \$0.008, \$0.03 /mg THC			
ОН	10%	7.24%		17.24%				
OR	17%	N/A	3%	20.00%				
RI	10%	7%	3%	20.00%				
VA	21%	5.77%	3%	29.77%				
VT	14%	6.36%		20.36%				
WA	37%	9.40%		46.40%				

<sup>\*</sup>Illinois assesses different retail excise tax rates on marijuana flower (10%), edibles (20%) and concentrates (25%).



<sup>\*\*</sup>New York assesses different wholesale tax rates per milligram of THC in flower (\$0.005), concentrates (\$0.008) and edibles (\$0.03).

#### **Provisions Needing Improvement:**

• Residency requirements: Sec. 72(b)(2) and Sec. 72(c)(1)(B) stipulate that any applicants for a commercial cannabis license must have been legal residents of Hawaii for five years. Sec. 72(c)(2)(A) also stipulates that the majority of ownership interest must continuously be held by Hawaii residents. These provisions are clear violations of federal case law regarding the Dormant Commerce Clause and would be subject to injunction. In New York, a federal injunction against similar requirements delayed the issuance of any retail licenses for two years. During this time, unlicensed sellers proliferated and captured significant market share.

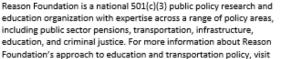
Art. 1 Sec. 8 of the United States Constitution grants Congress the authority to regulate interstate commerce. The U.S. Supreme Court has interpreted this as an exclusive jurisdiction that prevents states from imposing any barriers to interstate commerce. In 2019, the Supreme Court struck down a Tennessee requirement that applicants for a liquor retail license must be legal residents of the state for at least two years as an unlawful barrier to interstate commerce. This rationale has resulted in injunctions against state cannabis rules by federal courts in Maine, Missouri, and New York. Hawaii should not include similar language.<sup>4</sup>

• License caps: Sec. A-13(6) directs the cannabis control board to study market conditions so it can "determine the maximum number of licenses that may be issued in order to meet estimated production demand." Sec. A-75(b) also makes clear that the board will only make a limited number of licenses available at specified times. Limiting the availability of licenses creates an artificial barrier to entry into the legal marketplace and reduces competition among legal providers in a manner that may damage consumer welfare. States that have been most successful in displacing the illicit market, such as Michigan and Oregon, impose no license caps.

Moreover, the notion that supply must be targeted narrowly to meet estimated demand incorrectly assumes that cannabis products are fungible. There is a wide variety of product types and quality within the cannabis industry and no two products are identical. Consumers should be free to choose which products succeed in the marketplace. Meanwhile, makers of products consumers choose not to buy will disappear from the marketplace to balance supply and demand. This natural market process should not be overridden by regulators.

- Licensee selection criteria: Sec. A-75(b) directs the board to open a distinct application period each time it plans to make a license available. The board is permitted to change the selection criteria for these licenses in every application period. These criteria could be chosen capriciously and, in the worst case, could enable corruption if criteria are written to benefit a particular applicant. Instances of this form of corruption have proliferated in California, where local governments can establish their own licensing criteria, and these instances of corruption have prompted federal investigations. All licensing decisions should be based on a standard set of qualifications that meet the standard in Section A-17(3) as "directly and demonstrably related to the operation of a licensed business."
- Licensing fees not specified: Sec. 17(2) delegates the entire fee structure for commercial cannabis licenses to agency rulemaking. Lawmakers should clearly establish the initial fee

<sup>&</sup>lt;sup>4</sup> Geoffrey Lawrence and Michelle Minton, "The Case for Interstate Marijuana Commerce Right Now," Reason Foundation Policy Brief, January 2024, <a href="https://reason.org/policy-brief/the-case-for-interstate-marijuana-commerce-right-now/">https://reason.org/policy-brief/the-case-for-interstate-marijuana-commerce-right-now/</a>.





structure at rates low enough to minimize the barrier to entry and allow illicit producers to easily transition into the legal and regulated market.

- Canopy restriction: Sec. A-112(d) establishes a maximum canopy size for licensed cultivators at 2,000 square feet for an indoor facility and 5,000 square feet for an outdoor facility. These limitations are too small to allow licensees to achieve an economy of scale and will thus result in high production costs relative to illicit cultivators. No state has canopy limitations this small. In Massachusetts and Illinois, the limitation is 100,000 square feet. California has no canopy restriction but regulators assess larger licensing fees for larger facilities. Michigan also assesses higher licensing fees based on the number of plants. Other states, like Nevada and Colorado, impose no limitation on canopy size or plant count, instead allowing producers to expand per their ability to satisfy consumer demand.
- Packaging restrictions: Sec. A-84(a) restricts all packaging of cannabis products to include only black lettering on a single-color background. No graphics or images would be permitted on the packaging. The stated intent of this provision is to ensure products are not marketed to minors. However, nearly all state cannabis programs are able to more narrowly restrict marketing to minors by precluding the use of cartoon characters or other images that would be appealing to children. Cannabis products are not interchangeable, and producers need a way to clearly communicate their marks and branding to consumers to facilitate an efficient market.
- Potency limits: Sections A-17(20) and A-84(a) direct the board to establish potency limits for
  cannabis products. However, research indicates that cannabis consumers tend to self-titrate
  their use of higher-potency products to achieve a similar psychological effect. As a result, highpotency products like concentrates may be beneficial for public health relative to smoking
  marijuana flower because individuals consume less plant material that contains potential
  carcinogens.
- **Pre-market product approval:** Sec. A-84(a) also appears to require registration of every product with the cannabis control board before it can enter commerce. This pre-market approval can significantly delay product development and increase costs to both producers and consumers. Most state cannabis markets allow licensees to innovate with new products so long as they fit within an existing, defined set of rules. Violation of the rules can result in regulators ordering the products to be destroyed. Hawaii should follow this trend.
- Social equity definitions: Sec. A-141 defines a qualified social equity applicant as an entity of which 51% of ownership is held by individuals who have lived 5 of the past 10 years in a disproportionately impacted area, or for whom most employees live in a disproportionately impacted area. If the purpose of Hawaii's social equity program is to provide opportunities for victims of the drug war, then social equity treatment should only be available to individuals who have been arrested or convicted of a nonviolent marijuana offense. Basing eligibility on residency within a given neighborhood allows nonvictims to access these benefits on equal standing with victims.<sup>5</sup>
- **Social equity grants:** Sections A-142 and A-143 direct the board to make grants of public funds to social equity applicants. This direct financial support of a marijuana enterprise would

<sup>&</sup>lt;sup>5</sup> Geoffrey Lawrence and Michelle Minton, "Marijuana's Social Equity Misfire," Reason Foundation Policy Brief, April 2023, https://reason.org/wp-content/uploads/marijuana-social-equity-misfire.pdf.



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implicate the state as a participant in a federal criminal enterprise. The state could face liabilities for aiding and abetting a federal crime or under federal racketeering laws. States can impose a well-designed regulatory structure for marijuana but cannot invest directly in these markets.

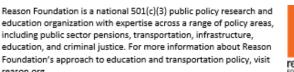
- Per se driving limit: Sec. 5 establishes a per se limit for the presence of THC in a driver's blood as indicative of driving under the influence. This limit is specified as 10 nanograms of THC per millimeter of blood. THC accumulates in human fat cells and may be present in the blood even when a person is not under the influence of marijuana. This means that a per se measurement will incorrectly implicate some drivers as driving under the influence. Instead, law enforcement should rely on certified drug recognition experts to determine inebriation.
- Employee registration: Sec. 79(g) requires licensees to register every employee with the Hawaii cannabis authority and to notify the authority of any discontinuation of employment within one business day. This reporting requirement is unnecessarily restrictive and may cause licensees to run afoul of regulations even when acting in good faith. At a minimum, licensees should have five business days to report staffing changes. Many states, like California, do not require every employee in the industry to be registered with the state and instead charge licensees with keeping logs of employees and providing identification credentials to those employees.
- Annual audit requirements: Sec. A-23(3) requires all licensees to undergo an independent
  financial audit each year using generally accepted auditing standards in the United States. No
  other state imposes this requirement for licensure. Paying for a financial audit would be
  financially burdensome for small licensees. Moreover, the general lack of financial services
  within the cannabis industry makes it difficult for auditors to issue an opinion on the financial
  statements of licensees because they lack a sufficient audit trail.
- No protection of parental rights: Sec. A-26 clarifies that contracts are enforceable under Hawaii law and Sec. A-27 protects holders of professional licenses from censure for working with cannabis licensees. There should be a similar provision to clarify that the legal use of marijuana by adults cannot be a primary cause for removing a person's parental rights.
- Regulatory authority doesn't need its own police unit: Sec. A-20 would create the cannabis enforcement unit within the Hawaii cannabis authority. The unit would be composed of armed law enforcement officers with the authority to execute searches, seize property, arrest individuals with or without a warrant, and perform other duties as assigned. No other state cannabis regulator hosts its own police force. These functions can be carried out by traditional law enforcement and, indeed, Sections A-21 and A-22 make clear that traditional law enforcement agencies also have jurisdiction to enforce state cannabis laws.

Reason Foundation commented on several cannabis legalization proposals during the 2023 legislative session and was thrilled to see several of its recommendations adopted as amendments. We are committed to ensuring that Hawaii's future market for adult-use cannabis is a success. We hope the legislature will consider the recommendations made herein and view Reason Foundation as a key resource as this bill progresses through the legislative process.

Sincerely,
Geoffrey Lawrence
Research Director and Director of Drug Policy, Reason Foundation

#### DRUG POLICY PROJECT CONTACTS:

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







March 13, 2024

To: Members of the House Judiciary and Hawaiian Affairs | Members of the House Committee on Agriculture & Food Systems

**RE: Support SB 3335 SD 2 (Cannabis regulation)** 

From: Paul Armentano, Deputy Director – National Organization for the Reform of Marijuana Laws (NORML): Washington, DC (paul@norml.org)

Distinguished members of the Committees,

I have worked professionally in the field of marijuana policy for 30 years, and I am currently the Deputy Director of NORML – the National Organization for the Reform of Marijuana Laws, a nationwide advocacy organization based in Washington, DC that represents the interests of responsible adult cannabis consumers.<sup>1</sup>

During my professional career, I have authored several books on the topic of cannabis, health, and public safety and my writing is featured in over two dozen academic anthologies. In 2022, I was the lead witness before Congress at the hearing "Developments in State Cannabis Laws and Bipartisan Cannabis Reforms at the Federal Level," which was convened by the House Committee on Oversight and Reform, Subcommittee on Civil Rights and Civil Liberties.

I am providing testimony today in support of Senate Bill 3335 SD 2, which regulates the production, use, and sale of cannabis for those age 21 and older.

Some opponents of this bill have expressed concerns that it will expand the illicit cannabis market in Hawaii. This criticism is unfounded. Legalization neither creates nor normalizes the cannabis market. This market is already prevalent in Hawaii. But under a policy of criminal prohibition, this market remains underground and those involved in it remain unaccountable. They don't pay taxes, they don't check IDs, and they don't test the purity of their product. Disputes that arise in the illicit marketplace are not adjudicated in courts of law.

By contrast, under a legally regulated system, cannabis products are available from licensed manufacturers at retail stores. Cannabis is cultivated and products are manufactured in accordance with good manufacturing practices. Products are lab tested and labeled accordingly — ensuring that consumers have access to products of verified purity and potency.

https://oversightdemocrats.house.gov/legislation/hearings/developments-in-state-cannabis-laws-and-bipartisan-cannabis-reforms-at-the

https://norml.org/about-norml/staff/



Twenty-four states<sup>3</sup> have now enacted legislation regulating the adult-use cannabis market. None of these states have repealed or even rolled back their laws, and public support for these policies has never been higher.<sup>4</sup> That is because these policies are largely working as politicians and voters intended and they are preferable to prohibition.

After a century of failed policies and canna-bigotry, Hawaiians are ready for a policy change – one that legalizes, regulates, and educates. The establishment of a pragmatic regulatory framework allowing for the legal, licensed commercial production and retail sale of cannabis to adults best reduces the risks associated with its use or abuse.

That said, there is language in SB 3335 SD 2 that I believe must be either amended or repealed. Specifically, provisions in this bill establish an arbitrary, unscientific THC per se blood limit of 10 ng/mL for operators of motor vehicles. The enactment of this language would criminalize a significant percentage of Hawaiians, particularly state-authorized medical cannabis patients, absent any evidence of impaired psychomotor performance.

I have written extensively on this issue in the peer-reviewed literature, and I have concluded that these proposed thresholds are not evidence-based.<sup>5</sup> I am not alone in reaching this conclusion. Experts like the National Highway Traffic Safety Administration and AAA acknowledge that the sole presence of THC in blood, particularly at the low levels proposed in this bill, is an inconsistent and inappropriate indicator of psychomotor impairment in cannabis consuming subjects.

States NHTSA: "It is difficult to establish a relationship between a person's THC blood or plasma concentration and performance impairing effects. ... It is inadvisable to try and predict effects based on blood THC concentrations alone, and currently impossible to predict specific effects based on THC-COOH (metabolite) concentrations."

AAA agrees, opining, "There is no evidence from the data collected, particularly from the subjects assessed through the DRE exam, that any objective threshold exists that established impairment, based on THC concentrations."

<sup>&</sup>lt;sup>3</sup> https://norml.org/laws/legalization/

<sup>&</sup>lt;sup>4</sup> https://news.gallup.com/poll/514007/grassroots-support-legalizing-marijuana-hits-record.aspx

<sup>&</sup>lt;sup>5</sup> Armentano. Should per se limits be imposed for cannabis? Equating cannabinoid blood concentrations with actual driver impairment: Practical limitations and concerns. *Humboldt Journal of Social Relations*: 35: 45-55 <a href="https://digitalcommons.humboldt.edu/hjsr/vol1/iss35/5/">https://digitalcommons.humboldt.edu/hjsr/vol1/iss35/5/</a>

<sup>&</sup>lt;sup>6</sup> NHTSA. Drugs and Human Performance Fact Sheet: Cannabis/Marijuana <a href="https://www.wsp.wa.gov/breathtest/docs/webdms/DRE\_Forms/Publications/drug/Human\_Performance\_">https://www.wsp.wa.gov/breathtest/docs/webdms/DRE\_Forms/Publications/drug/Human\_Performance\_">https://www.wsp.wa.gov/breathtest/docs/webdms/DRE\_Forms/Publications/drug/Human\_Performance\_">https://www.wsp.wa.gov/breathtest/docs/webdms/DRE\_Forms/Publications/drug/Human\_Performance\_">https://www.wsp.wa.gov/breathtest/docs/webdms/DRE\_Forms/Publications/drug/Human\_Performance\_">https://www.wsp.wa.gov/breathtest/docs/webdms/DRE\_Forms/Publications/drug/Human\_Performance\_">https://www.wsp.wa.gov/breathtest/docs/webdms/DRE\_Forms/Publications/drug/Human\_Performance\_">https://www.wsp.wa.gov/breathtest/docs/webdms/DRE\_Forms/Publications/drug/Human\_Performance\_">https://www.wsp.wa.gov/breathtest/docs/webdms/DRE\_Forms/Publications/drug/Human\_Performance\_">https://www.wsp.wa.gov/breathtest/docs/webdms/DRE\_Forms/Publications/drug/Human\_Performance\_">https://www.wsp.wa.gov/breathtest/docs/webdms/DRE\_Forms/Publications/drug/Human\_Performance\_">https://www.wsp.wa.gov/breathtest/docs/webdms/DRE\_Forms/Publications/drug/Human\_Performance\_">https://www.wsp.wa.gov/breathtest/docs/webdms/DRE\_Forms/Publications/drug/Human\_Performance\_">https://www.wsp.wa.gov/breathtest/docs/webdms/DRE\_Forms/Publications/drug/Human\_Performance\_">https://www.wsp.wa.gov/breathtest/docs/webdms/DRE\_Forms/Publications/drug/Human\_Performance\_">https://www.wsp.wa.gov/breathtest/docs/webdms/DRE\_Forms/Publications/drug/Human\_Performance\_">https://www.wsp.wa.gov/breathtest/docs/webdms/DRE\_Forms/Publications/drug/Human\_Performance\_">https://www.wsp.wa.gov/breathtest/docs/webdms/DRE\_Forms/Publications/drug/Human\_Performance\_">https://www.wsp.wa.gov/breathtest/docs/webdms/DRE\_Formance\_">https://www.wsp.wa.gov/breathtest/docs/webdms/DRE\_Formance\_">https://www.wsp.wa.gov/breathtest/docs/webdms/DRE\_Formance\_">https://www.wsp.wa.gov/breathtest/docs/webdms/DRE\_Formance\_">https://www.wsp.wa.gov/breathte

<sup>&</sup>lt;sup>7</sup> AAA. An Evaluation of Data from Drivers Arrested for Driving Under the Influence in Relation to Per Se Limits for Cannabis. May 2016.



Most recently, investigators affiliated with the University of California, San Diego conducted the largest human trial to date assessing the potential relationship between THC blood levels and driving performance. They concluded: "In the largest trial to date involving experienced users smoking cannabis, there was no correlation between THC (and related metabolites/cannabinoids) in blood, OF [oral fluid], or breath and driving performance. ... The complete lack of a relationship between the concentration of the centrally active component of cannabis in blood, OF, and breath is strong evidence against the use of *per* se laws for cannabis."

This is because THC is fat soluble and, therefore, it may be present in a person's blood at low levels for several days following cannabis use. This detection period extends well beyond any reasonable period of impairment. More habitual cannabis consumers, such as patients who consume cannabis products daily for symptom control, may possess residual THC levels in their blood for as long as a week at a time. Consequently, the imposition and enforcement of this strict liability standard risks inadvertently and inappropriately arresting, prosecuting, and convicting unimpaired persons who pose no threat to public safety.

For these reasons, I urge these Committees to advance SB 3335 in a manner that repeals these *per* se provisions.

###

**AUTHOR'S NOTE:** Paul Armentano has nearly three decades of professional experience in cannabis policy. He is the Deputy Director of NORML – The National Organization for the Reform of Marijuana Laws – the nation's oldest and only consumer-oriented cannabis reform advocacy organization.

His writing on cannabis and cannabis policy has appeared in over 1,000 publications, scholarly and/or peer-reviewed journals, and in over two dozen textbooks and anthologies. Mr. Armentano is the co-author of the book Marijuana is Safer: So Why Are We Driving People to Drink? (2009, 2013: Chelsea Green), which has been licensed and translated internationally. He is also the author of the book Clinical Applications for Cannabis and Cannabinoids (2021: National Organization for the Reform of Marijuana Laws), which summarizes over 450 peer-reviewed studies specific to the safety and efficacy of cannabis among different patient populations.

https://aaafoundation.org/wp-content/uploads/2017/12/EvaluationOfDriversInRelationToPerSeReport.pd

<sup>&</sup>lt;sup>8</sup> Fitzgerald et al. 2023. Driving under the influence of cannabis: impact of combining toxicology testing with field sobriety tests. *Clinical Chemistry* 69: 724-733. https://academic.oup.com/clinchem/article/69/7/724/7179849

<sup>&</sup>lt;sup>9</sup> Odell et al. 2015. Residual cannabis levels in blood, urine and oral fluid following heavy cannabis use. *Forensic Science International*: 173-180. https://pubmed.ncbi.nlm.nih.gov/25698515/



Mr. Armentano works closely with politicians and regulators to draft and enact cannabis policy reforms, and he is a frequently sought-after speaker on the topic at legal and academic seminars.

Mr. Armentano was the principal investigator for defense counsel in the federal case U.S. v Schweder et al., one of the first legal cases in decades to challenge the constitutionality of cannabis as a Schedule I controlled substance. He was also an expert in the successful Canadian constitutional challenge, Allard v Canada, which preserved qualified patients' right to grow cannabis at home.

He is the recipient of the 2013 Alfred R. Lindesmith Award for Achievement in the Field of Scholarship and the 2019 Al Horn Memorial Award in appreciation of advancing the cause of justice.



### **Testimony Opposing SB3335 SD2 - Relating to Cannabis**

Hearing on Wednesday, March 13, 2024, at 2:00 pm Conference Room 325. Hawaii State Capitol

To: Committee on Judiciary & Hawaiian Affairs

Rep David A. Tarnas, Chair Rep Gregg Takayama, Vice Chair

Committee on Agriculture & Food Systems

Rep Cedric Asuega Gates, Chair Rep Kirstin Kahaloa, Vice Chair

Fr: Alan Shinn

Hawaii SAM

1130 N. Nimitz Hwy, Suite A259

Honolulu, HI 96817

Thank you for the opportunity to provide testimony in opposition to SB3335 SD2—Relating to Cannabis which legalizes the personal adult use of cannabis beginning January 1, 2026. In addition, it establishes the Hawaii Hemp & Cannabis Authority and Hemp & Cannabis Control Board to regulate all aspects of cannabis, establishes taxes for adult use and medical use cannabis sales, makes appropriations, among other things.

Here are examples of barriers to implementation. The bill gives too much authority to the Hemp & Cannabis Control Board and is modeled after the Massachusetts CCB. That state's CCB is proving to be dysfunctional and overly influenced by the marijuana industry. In addition, the HCCB bureaucracy will need to be supported by general tax dollars creating a burden on taxpayers, not marijuana tax revenues. Also, the social equity program is problematic as locally qualified applicants could become "fronts" for large mainland cannabis operations or worse, could inadvertently open the door to criminal involvement. Still another example is the proposed cannabis public health and education grant program should be done prior to legalization. The program should inform the community of the health and safety risks of marijuana use, especially among youth and young adults, and the impact of commercial marijuana culture on the community.

Most troubling is that commercial marijuana use will dramatically increase incidents of DUI, more accidents, injuries, and deaths on our roads as seen in other legalized marijuana states. The bill establishes 10 nanograms per millimeter blood test to ascertain driver impairment. If under that level, it appears the detained driver will go free. There should be other stringent factors included to determine impairment to ensure public safety.

Regarding the negative impact of marijuana on the environment here are some facts. Outdoor grow sites consume huge amounts of water, e.g., 29.4M gallons of water per year in California (Greta Wengart, Integral Ecology Research Center CA 29.4M Gallons Marijuana). Indoor grows emit as much CO2 as 3.3M cars (Larkin & Sweeny, 2022). Protecting Hawaii's environment and keeping it pristine and clean should be a priority.

Thank you for the opportunity to submit testimony in opposition to SB3335 SD2.

**SAM Hawaii** is an affiliate of **Smart Approaches to Marijuana** (SAM), a national alliance of organizations and individuals dedicated to a health-first approach to marijuana policy. SAM seeks a middle road between incarceration and legalization. Our commonsense, third-way approach to marijuana policy is based on reputable science and sound principles of public health and safety.

### Testimony SB3335, SD2, Relating to Cannabis

House Judiciary and Hawaiian Affairs Committee House Agriculture Committee Hearing for SB3335, SD2 Room 325 2:00 p.m. March 13, 2024

Aloha Chair Tamas, Chair Gates, and members of the committee,

My name is Mark T. Rothstein, M.D.. I am a licensed physician in Hawaii since May 2004 (License No. MD-11535) and in Ohio since October 1974 (License No. 35.037876) with 43 years of "on the ground " clinical experience as a board-certified family physician. I am the Medical Director of Green Aloha Ltd., one of the existing eight legal medical cannabis license holders and sole licensee for Kauai. I have completed 53.5 hours of approved American Academy of Family Medicine Continuing Medical Education Hours (CME) specifically on medical cannabis topics I am in strong support of SB3335 SD2.

Since the release of the exploitation film "Reefer Madness" in 1936, supporters of marijuana prohibition have promoted cannabis as having an exaggerated potential for harm and have spread misinformation about its impact on society. Some of the very same misleading and erroneous statements have recently been appearing regarding the Hawaii Adult Cannabis debate.

No product, including cannabis, is completely without harm. It is not a miracle drug. However, it is far less harmful than portrayed by its critics. In contrast, "tobacco smoking is the leading preventable cause of death in the U.S. It is estimated that there is over 480,000 deaths caused by cigarette smoking each year". In addition, "excessive alcohol use was responsible for about 178,000 deaths each year during 2020-2021, or 488 deaths per day".

The Institute of Medicine (IOM) report *Marijuana and Medicine:* Assessing the Science Base states that "epidemiological data indicate that in the general population marijuana use is not associated with increased mortality" <sup>3</sup>. Also, a systematic review informed by epidemiological data did not report a statistically significant association between cannabis use and mortality <sup>4</sup>.

<sup>&</sup>lt;sup>1</sup> The CDC National Health Report Highlights. Preventable Causes of Death in the U.S. U.S. Department of Health and Human Services, Center for Disease Control and Prevention (CDC). Pg 8.

 $<sup>^2\,\</sup>underline{\text{WWW.CDC.GOV}};$  "Deaths From Excessive Alcohol Use In The United States". Pg. 1

<sup>&</sup>lt;sup>3</sup> IOM (Institute of Medicine). Marijuana and medicine: Assessing the science base.Washington, DC: National Academy Press; 1999. Pg. 109

<sup>&</sup>lt;sup>4</sup> Calabria B, Degenhardt L, Hall W, Lynskey M. Does cannabis use increase the risk of death? Systematic review of epidemiological evidence on adverse effects of cannabis use. Drug and Alcohol Review. 2010;29(3):318–330. [PubMed] [Reference list]

While alcohol is associated with increased forms of several cancers and there is incontrovertible evidence of the link between lung cancer and cigarette smoking, "no research exists to directly link smoking marijuana and lung cancer"<sup>5</sup>.

It is widely known that tobacco and alcohol can be extremely addictive. There is a Cannabis Use Disorder too, but it is far less common and its consequences less severe. Legalizing adult use "cannabis at the state level does not increase substance use disorders or use of illicit drugs among adults and, in fact, may reduce alcohol-related problems, according to new Colorado University at Boulder research" 6.

"There is no consensus of causality that cannabis is a gateway drug. Researchers disagree on whether marijuana...use leads a person to use more dangerous drugs like cocaine or heroin". There is limited evidence suggesting that marijuana increases the risk of using other Drugs. It is more logical to assume that because cannabis has been illegal It has brought cannabis consumers into contact with people who also sell more harmful substances.

In fact, "As National Institute on Drug Abuse Director Nora Volkow testified at a March 23, 2022 Senate Health, Education and Labor & Pensions committee hearing, "in the United States, legalization by some states of marijuana has not been associated with an increase in adolescents' marijuana use." Also, "many social ills that opponents warned about a decade ago have not come to pass". In Colorado, "DUIs and crime did not explode following legalization. And several studies have shown that opioid and deaths have actually declined in states following legalization" 11.

<sup>&</sup>lt;sup>5</sup> BMJ 2021;372m4957

<sup>&</sup>lt;sup>6</sup> https://www.colorado.edu/today/2023/01/24/gateway-drug-no-more-study-shows-legalizing-recreational-cannabis-does-not-increase

<sup>&</sup>lt;sup>7</sup> Risk of Using Other Drugs; Mayet A, Legleye S, Beck F, Falissama B, Chau N. The Gateway Hypothesis, Common Liability to Addictions or the Route of Administration Model? A Modeling Process linking the Three Theories. European Addiction Research, 2016;22(2):107-117. This is sited in an article on the cdc.gov website titled Marijuana and Public Health. Pg. 1

<sup>&</sup>lt;sup>8</sup> Mayet A, Legleye S, Chou N, Falissama B. Transitions Between Tobacco and Cannabis Use Among Adolescents: A Multi-State Modeling of Progression to Daily Use. *Addictive Behavior* 2011; 36(11):1101-1105. This is sited in an article on the cdc.gov website titled Marijuana and Public Health. Pg. 1

<sup>&</sup>lt;sup>9</sup> Secades-Villa R, Garcia-Rodriguez O, Jin CJ, Wang S, Blanco C. Probability and Predictors of Cannabis Gateway Effect: A National Study. *International Journal of Drug Policy 2015*; 26(2):135-142. This is sited in an article on the cdc.gov website titled Marijuana and Public Health. Pg. 1

<sup>&</sup>lt;sup>10</sup> www.mpp.org ;Marijuana Policy Project. Teen Marijuana Use Does Not Increase Following Marijuana Policy Reform. Page 1

<sup>&</sup>lt;sup>11</sup> https://www.colorado.edu/today/2022/11/04/decade-after-legalizing-cannabis-colorado-here-what-we-learned

The Black Market on Kauai and Hawaii in general is quite robust. There is almost no enforcement of their illegality. They sell untested and untaxed cannabis even to adolescents. If one is truly concerned about cannabis potency and contamination with bacteria, mold, pesticides, and heavy metals, then let's extend the rules and regulations to the adult population as they already exist in the medical cannabis space. This is exactly what the proposed Adult Use legislation will accomplish. In addition, the Black Market is responsible for the adulteration of cannabis with other more dangerous drugs as well as extending the availability of illegal dangerous drugs in general (like so-called "synthetic marijuana", K2 and Spice, which are NOT cannabinoids)<sup>12</sup>.

Passage of the Adult Use of Cannabis legislation will reduce the influence of the Black Market, just as the repeal of alcohol prohibition in the 1933 led to the almost complete elimination of the sale of "moonshine" and will allow law-abiding businesses to operate successfully. The law will extend the present medical cannabis rule of strict government issued I.D. requirement preventing those under 21 years old from purchasing cannabis.

We, as a society, have long regulated the adult use of the far more dangerous drugs such as alcohol and tobacco. Let us stop the cannabis prohibition. "The War on Drugs has failed" 13. Let us join the other 24 states in the U.S. that have passed a sane Adult Use Cannabis legislation.

In a poll released last month, "86% of adult Hawaii residents favor legalizing recreational marijuana" <sup>14</sup>. Kauai (and Hawaii residents) overwhelmingly support this legislation introduced by the Governor and Attorney General. Once passed, it is estimated that "tax revenues of \$34-53 million dollar "<sup>15</sup> a year will be generated at the State level although others have estimated annual revenues to be twice that.

Warmest Aloha and thank you for considering my testimony,

Mark T. Rothstein, M.D. Medical Director Green Aloha Ltd.

<sup>12</sup> www.dea.gov; Spice/K2, Synthetic Marijuana? Pg. 1

<sup>&</sup>lt;sup>13</sup> www.ncbi.nlm.nih.gov ;War on Drug Policing and Police Brutality; Pg. 1

<sup>&</sup>lt;sup>14</sup> Article in the IslandNews on Jan. 31, 2024 quoting a public opinion poll by the Hawaii Cannabis Industry Association (HICIA).

<sup>&</sup>lt;sup>15</sup> https://health.hawaii.gov; Cannabis Tax PIG Report-Final.pdf. Aug 12, 2022



### Testimony SB3335, SD2, Relating to Cannabis

House Judiciary and Hawaiian Affairs Committee House Agriculture Committee Hearing for SB3335, SD2 Room 325 2:00 p.m. March 13, 2024

Aloha Chair Tarnas, Chair Gates, and members of the committee,

My name is Casey Rothstein and I'm the CEO of Green Aloha Ltd., one of the state's eight medical cannabis dispensary licensees. The sole licensee for Kauai. Green Aloha is in **strong support** of SB3335 SD2.

There is and has been a flourishing Recreational Cannabis Market in Hawaii for many years; decades even. Hawaii cannabis is famous all over the world for being grown in the perfect growing environment and legendary sunshine that Hawaii offers. Both residents and tourists alike have been enjoying Hawaii Cannabis as responsible adults for decades. However, everyone of them has had to turn to the illicit, black or gray markets to do so and every dollar that has changed hands has done so tax free and with no regulations to ensure the safety of consumers. Polling has shown that well over 50 percent of Hawaii voters support the legalization of cannabis for responsible adult use. It is time for the State Legislature to do the responsible thing, as 24 other states have done, and create a legal, well regulated and taxed Adult Use Cannabis Industry. SB3335 SD2 is a balanced and careful approach to creating a well regulated and reasonably taxed industry that will allow the responsible Adult Use Cannabis users of Hawaii to obtain their cannabis of choice via a legal, safe and tested dispensary system, while providing the state of Hawaii with a previously unclaimed tax stream.

Green Aloha supports the fiscal benefits of SB3335 and believes in a "Self Funding" approach for this program. It is estimated that in the first 12 months of sales this program could generate in the range of \$40 million in taxes for Hawaii and approximately \$300 million over the first 4 years of Adult Use Sales. This is tax revenue that is being missed out on and would be generated without raising taxes on residents and homeowners.

Other states such as New Mexico and Massachusetts have been able to safely launch Adult Use Cannabis programs for well under \$10m in funding without the benefit of the infrastructure of a well regulated medical program, such as Hawaii's 329 Program that is currently tightly regulated by the Department of Health's OMCCR. There is no reason why Hawaii can't do so with the benefit of such a well regulated medical program and infrastructure. The OMCCR is already fully staffed with 17 employees who have experience in the regulation and inspection of cannabis business. The OMCCR has a budget of \$3-4 million and currently generates over \$4.5 million in revenues via the patient registration fees plus the GET and license fees on the current medical cannabis licenses, which were recently raised significantly in preparation for an expanded program. This plus the proposed conversion fees for the current medical licensees would generate more than enough to launch a safe and productive adult use program that could fully recoup these expenses in the first 3-5 months of sales and finish the year over \$20 million in the positive for the State with future years and additional growth building up to over \$100 million annually for the State of Hawaii, without having to raise taxes of residents. This is the most cost effective and logical way to safely launch and manage the industry while the new regulatory body is being set up, while not losing out on tax revenues or leaving a void for the black market to fill.

A well regulated and taxed Adult Use Cannabis program will not create an adult use cannabis industry. This industry exists already. An Adult Use Cannabis program will make this industry safer for both those that take part in it and society at large. It will test and regulate products that are currently unregulated and untested and it will tax sales and business that are currently untaxed and thus not contributing a fair share to the State. For all of these reasons we at Green Aloha strongly support and urge you to pass SB3335 SD2 and to implement sales as quickly as possible so that the state can stop waiting to benefit from this industry.

Warmest Aloha and thank you for considering my testimony

Casey Rothstein CEO, Green Aloha Ltd.



### Cultivation Sector Consulting, LLC 150 Mahiai Place Makawao, HI 96768

TO: Rep. David A. Tarnas, Chair

Rep. Gregg Takayama, Vice Chair

**Committee on Judiciary & Hawaiian Affairs** 

Rep. Cedric Asuega Gates, Chair Rep. Kirstin Kahaloa, Vice Chair

**Committee on Agricultural & Food Systems** 

FR: Jennifer Martin, Member/Manager

Cultivation Sector Consulting, LLC

RE: SB3335, SD2 RELATING TO CANNABIS.

DATE: Wednesday March 13, 2024

TIME: 2:00 VIA VIDEOCONFERENCE; Conference Room 325

Chair Tarnas, Vice Chair Takayama and members of the Committee on Judiciary & Hawaiian Affairs; and Chair Gates, Vice Chair Kahaloa and members of the Committee on Agricultural & Food Systems:

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

Cultivation Sector Consulting **SUPPORTS** SB3335, SD2 which establishes the Hawai'i Cannabis Authority and Cannabis Control Board within the Department of Commerce and Consumer Affairs to regulate all aspects of the cannabis plant.

As part of my testimony I wish to address two primary issues:

- A. <u>Keep Provisions Related to Persons Convicted of a Felony</u>: SUPPORT FOR AMENDED LANGUAGE IN SB3335, SD2. The original version of SB3335 initially prohibited any persons convicted of a felony from:
  - Applying for a license (§A-72 Applicant criteria);
  - Serving as an officer, director, manager or general partner of a business entity applying for a license (§A-72(c)(1); and
  - Working for a licensed business (§A-79(f) Licensed business operations).

We concur with the Senate in amending the measure to include a 10-year look back period which will enable persons convicted of a felony to fully participate in economic and civic activities, including potential opportunities provided by the legalization of cannabis.

Cultivation Sector respectfully submits background information to your Committees, including research, data and conclusions supporting the 10-year look-back period. In particular, we are attaching (1) a study by the Reason Foundation from 2018, which evaluated every state's recreational licensing prohibitions related to felonies; and (2) a summary of the Bureau of Justice Statistics Report, published May 2018,



### Cultivation Sector Consulting, LLC 150 Mahiai Place Makawao, HI 96768

which analyzed the recidivism rate of prisoners from 2012-2017, showing that the vast majority of recidivism occurs in the first 3 years after the first offense, with less and less occurring over a 9-year period. Overall, these studies demonstrate that the felony provisions in Senate Draft 2 should be maintained.

### B. Overall Support for the Legalization of Recreational Cannabis

Cultivation Sector Consulting **STRONGLY SUPPORTS** the legalization of recreational cannabis. We are sympathetic to concerns about potential negative and unforeseen consequences that could arise as a result of cannabis legalization in Hawaii. Public safety is a high priority for any community, and rightly so.

The objections being expressed in hearings to date, however, are not based on sound evidence. For example, although it is true that cannabis is more potent now than it was in the 70s and 80s, that increase in potency does not have any concrete impact on public safety or addiction. The reason for this is that cannabis users, just like alcohol users, will consume the amount of a substance that it takes in order to feel the intensity of effect they are seeking. With less potent cannabis, higher consumption levels are required to feel any effect. With more potent cannabis, only modest consumption levels are required to experience an effect. In the end, the result is the same in terms of intoxication. Today's cannabis users are generally too young to have experienced the lower potency cannabis from 40-50 years ago, so they are not likely to be surprised by the dosage difference, and thus accidentally overconsume.

In relation to alcohol or illegal cannabis, legal cannabis labeling is more detailed and supportive of consumer safety, listing the specific THC/potency levels in a package or serving. We know from experience in other legal cannabis states and through scientific research that a single dose of cannabis for a low-tolerance user is approximately 5mg, increasing to 10mg for more regular users. With this information and proper testing and labeling, overconsumption is less likely than ever.

Legal cannabis is far safer than illegal cannabis because it is not allowed to be grown using pesticides or toxic agricultural inputs. It is also not allowed to be sold if it contains live mold, yeast or bacteria. Therefore, by legalizing it, we can ensure that users will not accidentally consume harmful microorganisms, chemicals or heavy metals that could be dangerous to their health.

Many of the concerns expressed in previous hearings on this bill were oriented around addiction/recovery concerns—that legalizing cannabis would lead to higher rates of addiction. Quite to the contrary, cannabis is a harm reduction option that can help addicts reduce their dependence on alcohol (which is known to cause belligerent, dangerous behavior) and unregulated opiates.

In a study from the journal Addiction, entitled *Effects of Cannabis Use on Alcohol Consumption in a Sample of Treatment-engaged Heavy Drinkers in Colorado*, written in January 2021, researchers concluded, "Across the sample (n = 96), individuals drank approximately 29% fewer drinks [95% confidence interval (CI) = 18-39%, P < 0.001] and were 2.06 times (95% CI =1.37-3.08, P < 0.001) less likely to have a binge-drinking episode on days that cannabis was used compared with days that cannabis was not used." <a href="https://pubmed.ncbi.nlm.nih.gov/33464670/">https://pubmed.ncbi.nlm.nih.gov/33464670/</a>



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Cannabis use also reduces opioid dependence. A study from the International Journal of Drug Policy, from September 2023, entitled *Cannabis Use to Manage Opioid Cravings Among People Who Use Unregulated Opioids During a Drug Toxicity Crisis*, concluded, "...findings indicate that cannabis use to manage opioid cravings is a prevalent motivation for cannabis use among people who use unregulated opioids, and is associated with self-assessed reductions in opioid use during periods of cannabis use. Increasing the accessibility of cannabis products for therapeutic use may be a useful supplementary strategy to mitigate exposure to unregulated opioids and associated harm during the ongoing drug toxicity crisis." <a href="https://www.sciencedirect.com/science/article/abs/pii/S0955395923001603?via%3Dihub">https://www.sciencedirect.com/science/article/abs/pii/S0955395923001603?via%3Dihub</a>

Road safety is another common cause of concern expressed by those who oppose cannabis legalization. From the Journal of Alcohol and Drug Dependence, from December 2021 in a study entitled *Canada's Cannabis Legalization and Drivers' Traffic-injury Presentations to Emergency Departments in Ontario and Alberta, 2015-2019,* researchers concluded "Utilizing provincial emergency department (ED) records (April 1, 2015-December 31, 2019) from Alberta and Ontario, Canada, we employed Seasonal Autoregressive Integrated Moving Average (SARIMA) models to assess associations between Canada's cannabis legalization (via the Cannabis Act implemented on October 17, 2018) and weekly provincial counts of ICD-10-CA-defined traffic-injury ED presentations....Implementation of the Cannabis Act was not associated with evidence of significant post-legalization changes in traffic-injury ED visits in Ontario or Alberta among all drivers or youth drivers, in particular."

In summary, we urge your committees to: 1) keep the felony provisions in SB3335, SD2; and 2) urge the passage of the overall measure to provide a regulatory framework for the legalization of recreational cannabis.

Thank you for your consideration and for the opportunity to testify on this matter.

https://www.sciencedirect.com/science/article/abs/pii/S0376871621005032

Sincerely,

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### Attachment 1

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

### CRIMINAL CONVICTION RESTRICTIONS FOR MARIJUANA LICENSING

by Allie Howell September 2018





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### PART 1

### JUSTIFICATIONS FOR LICENSE RESTRICTIONS

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

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

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

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

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

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

Cole, James M. "Memorandum for all United States Attorneys." U.S. Department of Justice Office of the Deputy Attorney General. Aug. 29, 2013. https://www.justice.gov/iso/opa/resources/3052013829132756857467.pdf

<sup>&</sup>lt;sup>2</sup> "Executive Summary." Washington State Liquor and Cannabis Board. https://lcb.wa.gov/sites/default/files/publications/WSLCB%20Home%20Grows%20Study%20Report%20FINAL.PDF

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

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



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



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

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

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

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

### PART 2

## COSTS OF CRIMINAL CONVICTION LICENSE RESTRICTIONS

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

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

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

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

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



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



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

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

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

<sup>&</sup>lt;sup>9</sup> McGreevy, Patrick. "New Law Could Put Some Medical Marijuana Dispensaries Out of Business."

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

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



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



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

### PART 3

## SUMMARY OF CRIMINAL CONVICTION RESTRICTIONS BY STATE

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

### ALASKA<sup>12</sup>

### **Business Owner Restrictions**

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

### **Employee Restrictions**

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

### CALIFORNIA<sup>13</sup>

### **Business Owner Restrictions**

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

### **Employee Restrictions**

None

- Alaska Administrative Code. 3 AAC Chapter 306. https://www.commerce.alaska.gov/web/Portals/9/pub/MCB/StatutesAndRegulations/MarijuanaR egulations.pdf; Alaska Statutes. Chapter 17.38. The Regulation of Marijuana. https://www.commerce.alaska.gov/web/Portals/9/pub/MCB/StatutesAndRegulations/AS17.38.pd f; "Marijuana Handler Permit Notice of Upcoming Changes." *Alcohol and Marijuana Control Office*. https://www.commerce.alaska.gov/web/Portals/9/pub/MCB/MJHandlerPermit/MHCBackground.pdf
- Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA). California Law. https://leginfo.legislature.ca.gov/faces/codes\_displayexpandedbranch.xhtml?tocCode=BPC&division=10.&title=&part=&chapter=&article

### 3.3

### COLORADO<sup>14</sup>

### **Business Owner Restrictions**

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

### **Employee Restrictions**

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

### 3 4

### MASSACHUSETTS<sup>15</sup>

### **Business Owner Restrictions**

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

### **Employee Restrictions**

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

Code of Colorado Regulations. 1 CCR 212-2. https://www.colorado.gov/pacific/sites/default/files/ColoradoRegister.pdf1%20CCR%20212%20-2%20Retail%20Effective%2002022018.pdf

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

3.6

### NEVADA<sup>16</sup>

### **Business Owner Restrictions**

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

### **Employee Restrictions**

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

### OREGON<sup>17</sup>

### **Business Owner Restrictions**

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

### **Employee Restrictions**

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

Nevada Revised Statues (NRS). Chapter 453D. https://www.leg.state.nv.us/NRS/NRS-453D.html#NRS453DSec230; "Marijuana Establishment Agent Card Application and Checklist." State of Nevada Department of Taxation. Nov. 18, 2017. https://tax.nv.gov/uploadedFiles/taxnvgov/Content/Forms/Agent%20application.pdf

Oregon Revised Statues. Chapter 475B. Cannabis Regulation. https://www.oregonlegislature.gov/bills\_laws/ors/ors475B.html; Oregon Administrative Rules. Oregon Liquor Control Commission. Division 25. Recreational Marijuana. https://www.oregon.gov/olcc/marijuana/Documents/Rules/OAR 845 Div 25 RecreationalMarijuana.pdf

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

### WASHINGTON<sup>18</sup>

### **Business Owner Restrictions**

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

### **Employee Restrictions**

None

3.8

### **OTHER STATES**

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

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

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

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

### PART 4

# THE HYPOCRISY OF CRIMINAL CONVICTION RESTRICTIONS IN THE MARIJUANA INDUSTRY

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

content/uploads/2017/06/StartSMART\_DPA\_NY\_Marijuana\_Reform\_Diversity\_Inclusion\_09.14.20 17.pdf

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

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



Further, it seems contrary to one of the key goals of legalization—minimizing the harms of the drug war—to continue to penalize license applicants for marijuana crimes.



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

NRS Chapter 453D.

<sup>&</sup>lt;sup>23</sup> 3 AAC Chapter 306.

### PART 5

## SHOULD THE MARIJUANA INDUSTRY PAY REPARATIONS FOR THE DRUG WAR?

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

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



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

"

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

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

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

<sup>&</sup>lt;sup>26</sup> "Become an Equity Applicant or Incubator." *City of Oakland*. http://www2.oaklandnet.com/government/o/CityAdministration/cannabis-permits/OAK068455

<sup>&</sup>lt;sup>27</sup> Zhang, Mona. "Cannabis Industry Struggles With Hiring People With Past Pot Convictions."

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

<sup>&</sup>lt;sup>29</sup> Craven, James. "Marijuana Forgiveness Remedies." *Reason*. June 4, 2018. https://reason.org/policy-brief/marijuana-forgiveness-remedies/



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



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

Boyd, Karen. "City Announces First Cannabis Dispensary Permit Recipients Under Equity Program." *City of Oakland*. Jan. 31, 2018. http://www2.oaklandnet.com/oakca1/groups/cityadministrator/documents/pressrelease/oak068 879.pdf

### PART 6

### CONCLUSION

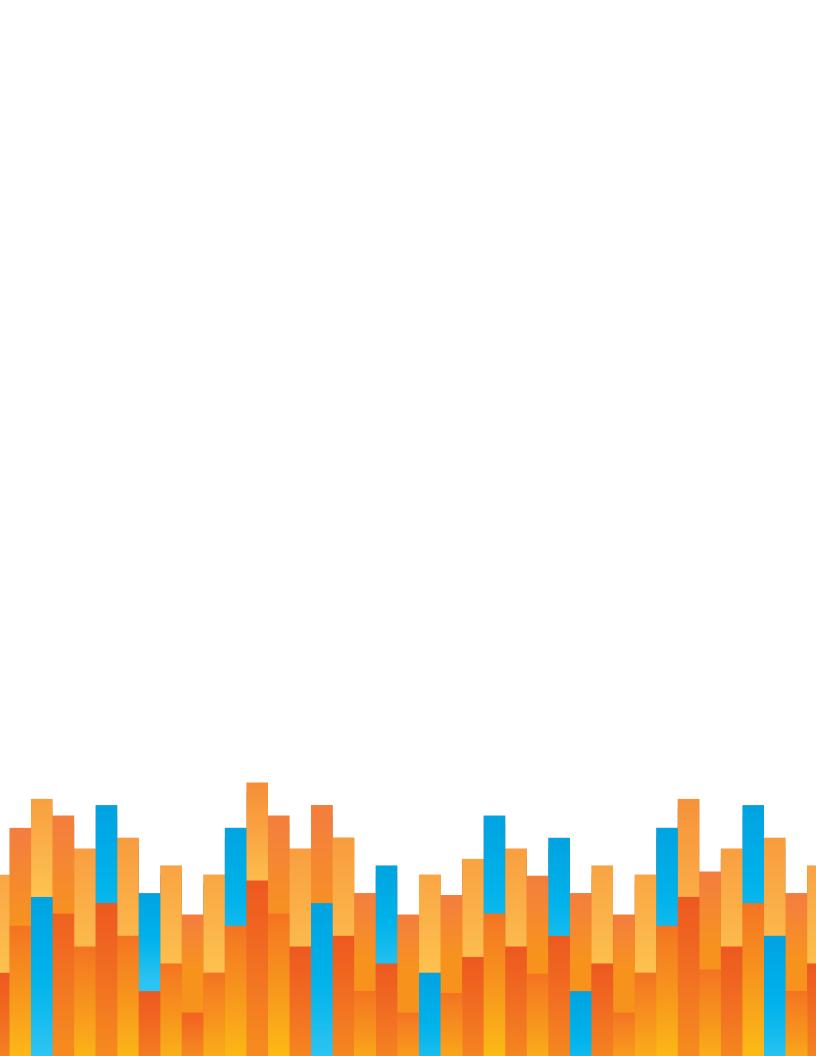
Criminal conviction restrictions are justified as one way to ensure that the legal marijuana market will not be used to divert drugs out of state, to minors, or to fund criminal enterprises. But using past behavior as a predictor for future actions is an imperfect measure. It is impossible to determine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

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

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

### **ABOUT THE AUTHOR**

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



### Attachment 2



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

**Bureau of Justice Statistics** 

Summary | NCJ 250975 | May 2018

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

### Long-term patterns

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

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

### Type of offense of state prisoners arrested after release

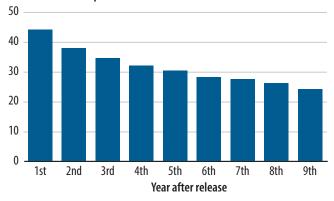
Released property and drug offenders were more likely to be arrested than released violent offenders; however, released violent offenders were more likely to be arrested for a violent crime. More than three-quarters (77%) of released drug offenders were arrested for a non-drug crime within nine years,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

### Other key findings

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

### Annual arrest percentage of prisoners released in 30 states in 2005

### Percent of released prisoners

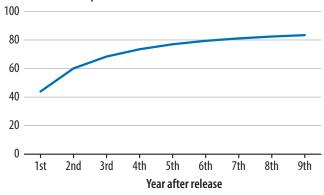


Note: The denominator for annual percent is 401,288 (total state prisoners released in 30 states in 2005).

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

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

### Percent of released prisoners



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

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





#### **SB-3335-SD-2**

Submitted on: 3/12/2024 10:52:36 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
spectra analytical laboratory	Spectra Analytical Laboratory	Support	In Person

#### Comments:

Spectra Analytical Laboratory

Hawaii's 1st Cannabis testing lab & currently the only lab.

Testimony

IN SUPPORT

SB3335, SD2, Relating to Cannabis

Hawaii State House of Representatives

Judiciary and Hawaiian Affairs Committee and Agriculture Committee

Dear Chairs Tarnas and Gates,

Thank you for the opportunity to testify in SUPPORT of SB3335, SD2, Relating to Cannabis.

- 1. Spectra is the certified and licensed cannabis testing lab able to test all cannabis flower and cannabis-manufactured products
- 2. Spectra has operated since the beginning of the 329 medical cannabis program without any violation or incident.
- 3. Spectra is able to test all cannabis samples for the State and the proposed cannabis authority
- 4. State does not need to waste monies and establish a state cannabis testing facility within the Hawaii hemp and cannabis authority. No other legal state has this unnecessary expenditure

• 5. Spectra recommends the committee remove the apportionment request under Section 70 of SB335 SB2 and instead contract with an existing independent cannabis testing facility as needed for blind testing & secret shopper program.

We strongly urge the committees to pass this measure to effectively regulate the cannabis industry through 3rd party independent product testing, safeguard the public, and generate new tax revenue.

#### SB-3335-SD-2

Submitted on: 3/12/2024 12:02:36 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Cindy R Ajimine	One Impact Hawaii	Oppose	Written Testimony Only

#### Comments:

The safeguards and requirements that are currently in place and still having to be developed and instituted in "reaction" to other "recreational" products must be embedded within the bill before being seriously considered. Please do not pass a bill that needs future bills to fix the resulting problems. Why? You have enough problems to deal with and will incur more if/when this becomes law.

All the restrictions, safeguards, and requirements currently in place (and being considered) for cigarettes, vape products, and alcohol should be included to be "ahead of the game" and a model for the country to follow. It is inevitable that our state (like others who've gone before us and are currently dealing with issues) will have to implement these. A few examples include:

- A way to measure marijuana-intoxication levels for impaired drivers as with ETOH.
- Specifics related to the proposed "Hawaii Hemp & Cannabis Authority Board."
- Prioritize decriminalizing processes and implementation first.
- Processes and funding to educate and discourage minors on the hazards, safe use, etc. and from partaking until an adult.
- Restrictions and/or designations of who can authorize use in certain locations (e.g. condos, public areas), employments (e.g. first responders), etc.
- Provide funding and education on the hazards e.g. heart attack, stroke risk, lung cancer,
- Basic requirements for specific employment positions that require full attention to be prohibited from using these products for a specified time period before.

Thank you very much for your kind consideration. With all we have going on in our island state, I pray you will have the courage to stand boldly and be the one who voices the requests of the people vs. succumbing to the potential revenue. Sometimes, it's not all about the money.



Testimony of Hawai'i Appleseed Center for Law and Economic Justice
Comments on SB3335 – Relating to Cannabis
House Committees on Judiciary and Hawaiian Affairs and Agriculture and Food
Systems
Wednesday, March 13, 2024

To the members of the committees on Judiciary and Hawaiian Affairs and Agriculture and Food Systems:

Thank you for the opportunity to submit **COMMENTS on SB3335**, which would create and regulate an adult-use cannabis market in the state of Hawaii. We encourage the legislature to consider amending this proposal to include a process for a state-initiated, automatic expungement of records for those with cannabis related convictions, as well as increasing the investment of cannabis tax revenue into social equity programs and the general fund.

The legalization of an adult-use cannabis market can serve as a catalyst for economic growth and increased state revenue. States that have legalized cannabis have seen substantial tax revenues, which can be channeled into critical areas such as education, healthcare, and a robust social equity licensing program. According to projections from the Department of Taxation, tax revenue from adult-use cannabis sales could reach between \$35-55 million, provided the price per ounce remains in the \$225-\$275 range. Revenues could be even higher if prices fall below that range, according to the report.

The legalization of adult use cannabis presents a significant opportunity to correct past injustices and promote social equity. We applaud the legislature's effort to include an expungement process in the language of the bill. According to the Attorney General's report on the bill, there are currently over 50,000 arrests and 10,000 convictions currently in the system for low-level cannabis related offenses.<sup>2</sup> Thousands

<sup>&</sup>lt;sup>1</sup> Colby, Seth "Getting Too High?: Levels of taxation and potential public revenue from a legalized cannabis market in Hawaii," Department of Taxation, August 2022: https://health.hawaii.gov/medicalcannabis/files/2022/08/CANNABIS-TAX-PIG-REPORT-FINAL.pdf

<sup>&</sup>lt;sup>2</sup> "Report Regarding the Final Draft Bill Entitled 'Relating to Cannabis.' Hawaii State Department of the Attorney General, January, 2024: <a href="https://ag.hawaii.gov/wp-content/uploads/2024/01/REPORT-REGARDING-THE-FINAL-DRAFT-BILL-ENTITLED-RELATING-TO-CANNABIS-PREPARED-BY-THE-DEPARTMENT-OF-THE-ATTORNEY-GENERAL-dated-January-5-2024.pdf">https://ag.hawaii.gov/wp-content/uploads/2024/01/REPORT-REGARDING-THE-FINAL-DRAFT-BILL-ENTITLED-RELATING-TO-CANNABIS-PREPARED-BY-THE-DEPARTMENT-OF-THE-ATTORNEY-GENERAL-dated-January-5-2024.pdf</a>



of individuals in our state have suffered long-term consequences due to minor cannabis-related offenses, impacting their employment, housing, and educational opportunities. According to a study by the Brennan Center for Justice, people convicted of a misdemeanor can have their earnings decrease by 16% on average.<sup>3</sup> By including expungement provisions in the legalization framework, Hawaii can begin to mend the harm caused by these convictions, offering a renewed chance at increased economic mobility for thousands of Hawaii's residents.

As written, people with previous cannabis related convictions would still need to petition to the state for expungement. We urge the legislature to consider amending the language to include a state-initiated process that would automatically expunge the records of those with low-level cannabis related convictions. Doing so would provide rapid relief to those who struggle to access economic, housing, and educational opportunities due to prior criminal convictions. Language for initiating this process can be found in HB1595.

We also applaud the bill's inclusion of a social equity program. A robust social equity licensing program has the potential to broaden economic opportunity for the most disadvantaged communities in our state and a majority of tax revenue should be dedicated to these efforts. We urge the legislature to adopt an amendment dedicating 50% of cannabis tax revenues to these efforts to ensure the social equity provisions are well resourced and achieve their intended goals.

The state also has the potential to capture revenue for critical services like education and infrastructure by dedicating a significant portion of the remaining tax revenues to the general fund. As written, no revenue is dedicated to the general fund, which limits the legislature's ability to capture new revenue from a legalized adultuse market.

Including a state-initiated expungement provision and increasing revenues for a robust social equity program will ensure that an adult-use cannabis market will broaden economic opportunity for those most heavily impacted by cannabis prohibition, while increasing economic growth for the state as whole.

<sup>&</sup>lt;sup>3</sup> "Conviction, Imprisonment, and Lost Earnings: How Involvement with the Criminal Justice System Deepens Inequality." Brennan Center for Justice, September 2020: <a href="https://www.brennancenter.org/ourwork/research-reports/conviction-imprisonment-and-lost-earnings-how-involvement-criminal">https://www.brennancenter.org/ourwork/research-reports/conviction-imprisonment-and-lost-earnings-how-involvement-criminal</a>



Wednesday, March 8, 2024

### Senate Bill 3335 SD2 Relating to Cannabis Testifying with Comments, asking for amendments

Aloha Chairs Tarnas and Gates, Vice Chairs Takayama and Kahaloa, and Members of the Committees:

Cannabis prohibition has done a tremendous amount of harm — tearing families apart, marking tens of thousands of Hawai'i residents with criminal records that derail lives, and risking the health and safety of those buying and selling cannabis on the illicit market. We embrace legalization as a way to stop inflicting those harms, contribute to a diversified economy, and create an alternative approach rooted in equity and reparative justice.

We heartily support protecting health and safety as part of legalization. However, the AG-drafted bill's singular focus has resulted in an approach that is overly focused on law enforcement and recriminalization, and that will continue to do life-changing damage to responsible cannabis consumers for behavior that endangers no one. While SD 2 is an improvement from the asintroduced bill, significant revisions are still needed. We urge an approach to cannabis legalization that focuses far more on reinvesting in communities, reparative justice, and building an equitable and inclusive industry — and that avoids ramping up law enforcement and criminalizing innocuous behavior.

Here are recommended amendments to SB 3335, SD 2 to foster justice and equity:

1. Strict Compliance Language. Revise the language that only creates an exception to criminal codes if a person is acting in "strict compliance," resulting in harsh penalties for small technical violations. The bill should remove criminal penalties for adults growing and possessing legal amounts, as other legal states do. It could impose modest, non-criminal penalties for technical violations.

## **Member Organizations**

Marijuana Policy Project • ACLU of Hawai'i • Drug Policy Forum of Hawai'i • Council for Native Hawaiian Advancement • Last Prisoner Project • Doctors for Drug Policy Reform • Hawai'i Innocence Project • Chamber of Sustainable Commerce • Cannabis Education

Recommended changes, marked up from SD 2:

- **§A-4 General exemptions.** (a) Notwithstanding any law to the contrary, including part IV of chapter 329 and part IV of chapter 712, actions authorized pursuant to this chapter shall be lawful if done in [strict] compliance with the requirements of this chapter and any rules adopted thereunder.
- (b) A person may assert [strict] compliance with this chapter or rules adopted thereunder as  $\underline{a}$  [an affirmative] defense to any prosecution involving marijuana or marijuana concentrate, including under part IV of chapter 329 and part IV of chapter 712.
- (c) <u>Violations of [Actions that do not strictly comply with</u>] the requirements of this chapter and any rules adopted thereunder shall be unlawful and subject to civil, criminal, or administrative procedures and penalties, or all of the above, as provided by law.
- SECTION 40. Section 712-1249, Hawaii Revised Statutes, is amended to read as follows: "§712-1249 Promoting a detrimental drug in the third degree. (1) A person commits the offense of promoting a detrimental drug in the third degree if:
- (a) the person is under twenty-one years of age and knowingly possesses any marijuana; (b) the person is twenty-one years of age or older and knowingly possesses an amount of marijuana that exceeds the possession limit; or
- (c) the person knowingly possesses any Schedule V substance in any amount.
- (2) Promoting a detrimental drug in the third degree [is] shall be a petty misdemeanor; provided that possession of three grams or less of marijuana by a person under twenty-one years of age [is] shall be a violation, ...
- (3) As used in this section, "possession limit" means:
- (i) one ounce of cannabis flower and up to five grams of tetrahydrocannabinol contained within cannabis products; and
- (ii) within a person's private residence only, up to ten ounces of adult-use cannabis produced by their personal cultivation of cannabis; provided that no more than two pounds of cannabis in total, shall be stored at any private residence, regardless of the number of people residing there.

#### If needed:

#### Section xx. Failure to abide by restrictions on adult possession or use of cannabis.

- (1) A person commits the offense of failing to abide by restrictions on adults' possession or use of cannabis if the person is twenty-one years of age or older and is not in compliance with the requirements in §A-51.
- (2) Failing to abide by restrictions on adults' possession of cannabis possession shall be a violation, punishable by a fine of up to \$130. A person found responsible for a violation under this section may request, and shall be granted, a penalty of up to 10 hours of community service in lieu of a fine.

#### Section xx. Failure to abide by restrictions on personal cultivation of cannabis.

(1) A person commits the offense of failing to abide by restrictions on adults' personal cultivation of cannabis if the person is twenty-one years of age or older and is not in compliance with the requirements in §A-52.

- (2) Failing to abide by restrictions on adults' personal cultivation of cannabis shall be a violation, punishable by a fine of up to \$750. A person found responsible for a violation under this section may request, and shall be granted, a penalty of up to 40 hours of community service in lieu of a fine.
- **2. Youth Criminalization.** SB 3335, SD 2 re-criminalizes minors in possession of cannabis and imposes excessive new penalties for providing cannabis to those 18-20. While we certainly agree it should remain illegal to provide cannabis (other than medical cannabis), imposing even harsher penalties than the status quo is unreasonable.

Recommended changes, from SD1:

Delete sections 39, 41, and 42.

Modify section 40, §712-1249 to read:

#### Promoting a detrimental drug in the third degree.

- "§712-1249 Promoting a detrimental drug in the third degree. (1) A person commits the offense of promoting a detrimental drug in the third degree if:
- (a) the person is under twenty-one years of age and knowingly possesses any marijuana;
- (b) the person is twenty-one years of age or older and knowingly possesses an amount of marijuana that exceeds the possession limit or
- (c) the person knowingly possesses any Schedule V substance in any amount.
- (2) Promoting a detrimental drug in the third degree [is] shall be a petty misdemeanor; provided that possession of three grams or less of marijuana by a person under twenty-one years of age [is] shall be a violation, punishable by a fine of up to \$130. A person found responsible for a violation under this section may request, and shall be granted, a penalty of up to 10 hours of community service in lieu of a fine.
- (3) As used in this section, "possession limit" means:
- (i) one ounce of cannabis flower and up to five grams of adult-use cannabis products as calculated using information provided pursuant to section A-113(d); and
- (j) within a person's private residence only, up to ten ounces of adult-use cannabis produced by their personal cultivation of cannabis; provided that no more than two pounds of cannabis in total, shall be stored at any private residence, regardless of the number of people residing there.
- **3. Open Containers**. Remove the broad open container law, which would jail individuals for up to 30 days and/or impose a fine of up to \$2,000 for a driver or passenger who possesses in the passenger area a cannabis package that has ever been opened, loose cannabis, or any pipe. This applies even to patients, who sometimes need emergency relief.

If an open container law must remain, SD 2 should at least be revised so:

1) the penalty is on par with the current penalty under decriminalization (\$130, or an equivalent amount of community service hours);

- 2) the penalty does not apply to passengers with cannabis on their person (some of those passengers will be in busses/shuttles/Lyfts/cabs where it would be difficult to impossible to store cannabis in a trunk);
- 3) passengers many of whom will be medical patients do not face jail time for taking a tincture or edible; and
- 4) it specifies some places where cannabis may be legally stored in cars, since some have no trunk and could be considered 100% passenger areas.

Recommended changes from SD2 if the open container provision is not deleted entirely:

SECTION 6. Chapter 291, Hawaii Revised Statutes, is amended by adding three new sections to part I to be appropriately designated and to read as follows:

- "§291- Consuming [or possessing] marijuana or marijuana concentrate while operating or a passenger in a motor vehicle or moped. (a) No person shall consume, including through secondhand or passive smoking, any marijuana or marijuana concentrate while operating a motor vehicle or moped upon any public street, road, or highway.
- (b) No person shall smoke or vaporize any marijuana or marijuana concentrate while a passenger in any motor vehicle or on any moped upon any public street, road, or highway. [No person shall possess within any passenger area of a motor vehicle or moped, while operating the motor vehicle or moped upon any public street, road, or highway, any bottle, can, package, wrapper, smoking device, cartridge, or other receptacle containing any marijuana or marijuana concentrate that has been opened, or a seal broken, or the contents of which have been partially removed, or loose marijuana or marijuana concentrate not in a container.]
- (c) Any person violating this section shall be guilty of a petty misdemeanor and shall be fined no more than \$2,000 or imprisoned no more than thirty days, or both.
- §291-Open container of [Consuming or possessing ] marijuana or marijuana concentrate [While a passenger] in a motor vehicle or on a moped. (a) [No person shall consume any marijuana or marijuana concentrate while a passenger in any motor vehicle or on any moped upon any public street, road, or highway.
- <u>(b)</u>]No person shall possess within any passenger area of a motor vehicle or moped\_[\_r while a passenger in the motor vehicle or on the moped] being operated upon any public street, road, or highway, any bottle, can, package, wrapper, smoking device, cartridge, or other receptacle containing any marijuana or marijuana concentrate that has been opened, or a seal broken, or the contents of which have been partially removed, or loose marijuana or marijuana concentrate not in a container.
- (b) This section does not apply to marijuana, marijuana, concentrate, or a bottle, can, package, wrapper, smoking device, cartridge, or other receptacle containing any marijuana or marijuana concentrate that is:
- (1) concealed on a passenger's person or in his personal property; or
- (2) stored in a trunk, luggage compartment, console out of reach of the driver, or similar location out of reach of the driver.
- (c) Any person violating this section shall be guilty of a <u>violation [petty misdemeanor]</u> and shall be fined no more than \$130 [ \$2,000 or imprisoned no more than thirty days, or both]. A person found responsible for a violation under this section may request, and shall be granted, a penalty of up to 10 hours of community service in lieu of a fine.

4. Per se DUI Provision. Remove the outrageous and unscientific per se "driving under the influence" limit of 10 nanograms per milliliter of THC for adults and medical patients and any trace amount for those under 21. Due to significant variations among individuals in THC levels at times of impairment, particularly between regular consumers and novice users, this will criminalize patients and other sober drivers long after impairment wears off. As a draft report by the National Highway Traffic Safety Administration (NHTSA) dated February 2024 explained, "Several states have determined legal per se definitions of cannabis impairment, but relatively little research supports their relationship to crash ... Unlike the research consensus that establishes a clear correlation between [blood alcohol content] and crash risk, drug concentration in blood does not correlate to driving impairment." It would also make it difficult to convict cannabis-impaired drivers testing below the threshold. Rather than criminalizing sober drivers, Hawai'i should invest in more DRE and ARIDE-trained officers. It should also have a robust public education campaign on the dangers and illegality of impaired driving.

The per se and the zero tolerance provision are unjust, unscientific, and need to be removed.

Delete SD 2's Sections 7-17. Include funding for DRE and ARIDE training, plus public education on the dangers and illegality of impaired driving.

**5. SB 3335 Restricts Medical Patients' Protections.** SD 2 added some vital protections to prevent cannabis consumers' lives from being ruined over cannabis. However, it did not restore existing protections for medical cannabis, which are removed by SB 3335. These need to be restored or legalization will legalize discrimination against medical cannabis patients in housing, child custody, and education, which is currently prohibited by § 329-125.5.

§ A-41 also adds new onerous restrictions on medical cannabis that do not apply to other medicines. Those must also go.

Revise SD 2's § A-41 to restore protections and remove new restrictions, such as:

§A-41 Possession of cannabis for medical use. ...

(d) [All cannabis shall be stored in a sealed child-resistant and resealable packaging with original labels and not easily accessible to any person under the age of twenty-one unless that person is a medical cannabis patient.] No school shall refuse to enroll or otherwise penalize, and no landlord shall refuse to lease property to or otherwise penalize, a person solely for the person's status as a qualifying patient or primary caregiver in the medical cannabis program under this part, unless failing to do so would cause the school or landlord to lose a monetary or licensing-related benefit under federal law or regulation; provided that the qualifying patient or primary caregiver strictly complied with the requirements of this part; provided further that the qualifying patient or primary caregiver shall present a medical cannabis registry

<sup>&</sup>lt;sup>1</sup> See: https://www.marijuanamoment.net/federal-agency-says-theres-little-research-supporting-marijuanadriving-impairment-tests-based-on-thc-concentration/

card or certificate and photo identification, to ensure that the qualifying patient or primary caregiver is validly registered.

- (e) [All cannabis shall be transported in a sealed container, shall not be visible to the public, and shall not be removed from its sealed container or consumed or used in any way while in a public place or vehicle.] No qualifying patient or primary caregiver under this part shall be denied custody of, visitation with, or parenting time with a minor, and there shall be no presumption of neglect or child endangerment, for conduct allowed under this part; provided that this subsection shall not apply if the qualifying patient's or primary caregiver's conduct created a danger to the safety of the minor, as established by a preponderance of the evidence.
- (f) [The medical use of cannabis alone shall not disqualify a person from any needed medical procedure or treatment, including organ and tissue transplants, unless in the judgment of the health care provider the use of cannabis increases the risk for a bad outcome from the procedure or treatment.] For the purposes of medical care, including organ transplants, a registered qualifying patient's use of cannabis in compliance with this part shall be considered the equivalent of the use of any other medication under the direction of a physician and shall not constitute the use of an illicit substance or otherwise disqualify a registered qualifying patient from medical care.
- **6. Expand and clarify expungement and resentencing**. Clarify and expand language for the creation of a state-initiated expungement and re-sentencing process. Justice is not simply achieved through legalization, but by also undoing the harms caused by the criminalization of cannabis. Last year, the Senate overwhelmingly passed SB 669, which included a specific process for state-initiated expungement. SD 2's vague language includes no such process and is a significant step backwards on expungement. SB 669 originated in and was approved by the Senate and includes language from the Dual Use Cannabis Task Force Report's recommendations.

See SB 669, SD 3, Section 3 §706, which includes;

- (2) No later than December 31, 2025, the attorney general, in collaboration with the judiciary and county prosecuting attorneys, shall determine the offenses that meet the criteria for expungement set forth in subsection (1). The county prosecuting attorneys shall issue a written notice to persons with records that qualify for expungement under subsection (1). Once offenses have been identified, but no later than January 1, 2026, the attorney general (in cases of an arrest for or charge with but not a conviction of a crime) and the appropriate court of record (in cases of conviction and pursuant to procedures established by the judiciary) shall order the automatic expungement of the records relating to the arrest, criminal charge, or conviction, as appropriate.
- (3) A person convicted for an offense under chapter 329, part IV of chapter 712, or any other offense, the basis of which is an act permitted by chapter A or decriminalized under Act , Session Laws of Hawaii 2023, including the possession or distribution of marijuana, shall have the right to petition at any time and without limitation to the number of petitions a convicted person may file, with the appropriate court of record for review and adjustment of the sentence.

**7. Social Equity Licensing:** Mandate the issuance of a significant number of small and social equity licenses in the first licensing round. Based on extrapolations from a market demand study in Maryland and the small cultivation canopy limit in the bill, there should be at least 100 growers, 60 manufacturers, and 60 retail stores. At least half of each should be reserved for social equity applicants.

Add the following new section to SD 2, and make conforming changes as needed to rulemaking.

- (a) No later than 18 months after the effective date of this chapter, the authority shall make available applications for cannabis business licensure.
- (b) Each license shall be granted, issued a conditional approval, or denied within 120 days of its submission.
- (c) No later than 24 months after the effective date of this chapter, the authority shall issue no fewer than the following number of licenses:
  - (1) 30 retail cannabis store licenses, at least 15 of which must be issued to social equity applicants;
  - (2) 100 cannabis cultivator licenses, at least 50 of which must be issued to social equity applicants; and
  - (3) 60 cannabis processor licenses, at least 30 of which must be issued to social equity applicants.
- (d) Applicants may apply for conditional approval if they have not purchased or leased the property where their cannabis business would be located. If the applicant is otherwise qualified for licensure, the authority shall provide conditional approval. Once the applicant provides the authority with a completed, supplemental application that includes the premises, the authority shall approve or reject the final application within 45 days.
- (e) No later than 48 months after the effective date of this chapter, and at least every year thereafter, the authority shall consider whether to increase the number of licenses of each type issued, with goals of avoiding an oversupply, avoiding an undersupply, providing reasonable prices and accessibility, and promoting small businesses, social equity operators, and individuals' transition from the legacy market to the regulated market
- (f) The authority shall re-open the application period at least once every year if the number of outstanding licenses fall.
- **8. Reallocate funding to focus on equity and justice.** Reduce or remove the excessive allocations to law enforcement. Includes allocations to social equity and community reinvestment to at least 50% of the excise tax, and provide funding for the general fund.

SB 3335's several distinct funds were combined into two funds, with each getting 50% of the excise tax revenue. The social equity fund was combined with public education and public safety grants, allowing for the possibility that little or no funding will make it to equity. Non-equity funds (which include cannabis enforcement) should not be commingled with equity funds, allowing for funding to be siphoned off from reparative justice. In addition, a significant amount of revenue should be reserved for the general fund to address the state's needs.

§A-19, replace with:

<u>Cannabis social equity special fund; established.</u> (a) There shall be created in the treasury of the State the cannabis social equity special fund to be administered and expended by the authority.

- (b) The moneys in the cannabis social equity special fund shall be used, subject to appropriation, for the implementation and administration of the social equity program as provided in part IX.
- © The following shall be deposited into the cannabis social equity special fund:
- (1) The tax collected pursuant to section 237-13(9)(B):
- (2) Appropriations made by the legislature to the special fund:
- (3) Interest earned or accrued on moneys in the special fund; and
- (4) Contributions, grants, endowments, or gifts in cash or otherwise from any source, including licensed businesses.
- (d) Moneys on balance in the cannabis social equity special fund at the close of each fiscal year shall remain in the special fund and shall not lapse to the credit of the general fund.
- §B-7 Disposition of revenues. The tax collected pursuant to this chapter shall be paid into the state treasury as a state realization to be kept and accounted for as provided by law; provided that revenues collected under this chapter shall be distributed in the following priority:
- (1) <u>Fifty-five</u> [<del>Fifty</del>] per cent of the tax collected shall be deposited into the <u>general fund</u>; [<del>cannabis regulation, nuisance abatement, and law enforcement special fund established by section A-18; and</del> ]
- (2) Fifty per cent of the tax collected shall be deposited into the cannabis social equity[, public health and education, and public safety] special fund established by section A-19;
- (3) two and a half percent for grants to train and certify state and county law enforcement officers as drug recognition experts for detecting, identifying, and apprehending individuals operating a vehicle under the influence of an intoxicant or otherwise impaired; and
- (4) two and a half percent for a public education campaign on the dangers of impaired driving.
- **9. Law Enforcement Staffing Largesse.** As introduced, SB 3335 created a total of 25 new cannabis law enforcement and positions between the DLE and AG. These have been blanked out as TBD. Legalization should *reduce* the amount of cannabis-related law enforcement by moving most cannabis-related conduct to the legal market, not increase it. Other states have not included this degree of increase in cannabis-related law enforcement as part of legalization.

Strike sections 58, 59, 61, and 62.

**10.Cannabis Odor as Pretext for Searches.** Add protections to clarify that the odor of cannabis, on its own, and possession of a legal amount does not establish probable cause for a warrantless search.

[new section] Odor and personal possession of cannabis not grounds for a search.

- (a) Except as provided in this section, the odor of cannabis or burnt cannabis, or the possession of a quantity of cannabis that the officer does not have probable cause to believe exceeds the possession limit, shall not constitute in part or in whole probable cause or reasonable suspicion and shall not be used as a basis to support any stop or search of a person, a property, or a motor vehicle.
- (b) Nothing in this section prevents a law enforcement official from conducting a test for impairment based in part on the odor of recently burnt cannabis if the law enforcement official would otherwise be permitted to do so under law.
- (c) As used in this section, "possession limit" means:
- (1) one ounce of cannabis flower and up to five grams of tetrahydrocannabinol contained within adult-use cannabis products; and
- (2) within a per'on's private residence only, up to ten ounces of adult-use cannabis produced by their personal cultivation of cannabis; provided that no more than two pounds of cannabis in total, shall be stored at any private residence, regardless of the number of people residing there.
- **11.Storage.** Remove the requirement that cannabis must always be stored in a sealed container, which applies even if adults live alone with no minors in the household. Remove the new requirement requiring the same for medical cannabis patients.

**Strike §A-51** [(b) All adult-use cannabis shall be stored in a sealed child-resistant and resealable packaging with original labels and not easily accessible to any person under the age of twenty-one.]

Or at least revise it to:

**Strike §A-51** (b) All adult-use cannabis shall be stored in a <u>manner that is</u> [-sealed child-resistant and resealable packaging with original labels and] not easily accessible to any person under the age of twenty-one.]

If this is not stricken, the penalty should be reduced to a maximum \$130 civil fine, or — at the discretion of the defendant — an equivalent amount of community service hours.

The restriction needs to be stricken from medical cannabis.

§A-41

- (d) All cannabis shall be stored in a sealed child-resistant and resealable packaging with original labels and not easily accessible to any person under the age of twenty-one unless that person is a medical cannabis patient.
- **12.Consumption Restrictions.** Remove the ban on any consumption of cannabis in a public place or a vehicle, which would apply even to those using cannabis medicinally in a parked vehicle. Imposing a civil fine for public smoking would be more appropriate.

Strike SD 2's §A-51 (c)

(c) [All adult-use cannabis shall be transported in a sealed container, shall not be visible to the public, and shall not be removed from its sealed container or consumed or used in any way while in a public place or vehicle.]

Strike SD 2's §A-41 (e) §A-41

(e) All cannabis shall be transported in a sealed container, shall not be visible to the public, and shall not be removed from its sealed container or consumed or used in any way while in a public place or vehicle.

The following could be added instead to address public smoking. It is important to have an actual penalty specified.

Section xx. Public smoking prohibited, penalty.

- (a) It is unlawful to smoke cannabis in a public place.
- (b) It is unlawful to smoke cannabis in a location where tobacco smoking is prohibited pursuant to HRS Chapter 328J.
- (c) A person who violates this section is guilty of a violation punishable by a fine of up to \$130. The person may request, and shall be granted, a penalty of up to 10 hours of community service in lieu of a fine.
- **13.Cannabis Authority Composition.** Replace the unpaid, part-time board, and instead empower an agency head and flesh out the advisory board. Appointments should be divided between the governor, Senate president, and speaker. To ensure they are committed to their mission, the executive director, chief officers, and appointees to the board must not have previously opposed legalization. In addition, law enforcement and former law enforcement should not be on the board if there is a board.

Recommended changes. Remove all references to the board (A-12). Reassign duties to the executive director. Revise the advisory board section as follows:

- §A-11 Hawaii cannabis authority; established. (a) There shall be established the Hawaii cannabis authority, which shall be a public body corporate and politic and an instrumentality and agency of the State for the purpose of implementing this chapter. [The authority shall be governed by the cannabis control board.] The authority shall be placed within the department of commerce and consumer affairs for administrative purposes only. The department of commerce and consumer affairs shall not direct or exert authority over the day-to-day operations or functions of the authority.
- (b) The authority shall exercise its authority [, other than powers and duties specifically granted to the board,] by and through the executive director. The executive director shall be appointed by the governor with the advice and consent of the Senate [board without regard to chapter 76 or section 26-35(a)(4)] and serve at the pleasure of the governor [board]. The executive director shall have expertise and training in the field of cannabis regulation or public health administration.
- (c) At a minimum, the staff of the authority shall consist of one full-time executive secretary to the executive director, one full-time chief financial officer, one full-time chief equity officer, one full-time general counsel, one full-time chief public health and environmental officer, one full-time chief technology officer, and

one full-time chief compliance officer, each of whom shall be exempt from chapter 76 and section 26-35(a)(4) and serve at the pleasure of the executive director.

- (d) The executive director, chief financial officer, chief equity officer, general counsel, chief public health and environmental officer, chief technology officer, and chief compliance officer must support the mission of legalizing and regulating cannabis and must not have publicly opposed the legalization and regulation of cannabis since at least 2019.
- §A-14 Cannabis control implementation advisory committee; members; organization. (a) There shall be established the cannabis control implementation advisory committee that shall advise and assist the board in developing or revising proposed laws and rules to carry out and effectuate the purposes of this chapter. The cannabis control implementation advisory committee shall be placed within the department of commerce and consumer affairs for administrative purposes only.
- (b) The cannabis control implementation advisory committee shall consist of fifteen members, with five members to be appointed by each the governor, the Senate president, and the speaker. Members of the board must support the mission of legalizing and regulating cannabis. Members shall include: one expert in public health; one physician who is knowledgeable about the risks and benefits of cannabis; at least one registered medical cannabis patient; at least one individual who represents cannabis consumers; four individuals with backgrounds in the cannabis industry, at least one of whom has a background in each cannabis cultivation, cannabis retailing, cannabis product manufacturing, and cannabis testing, and at least two of whom qualify as social equity applicants; at least one individual with background in civil rights advocacy; at least one individual with background security; one individual with expertise in environmental sustainability; one attorney with experience in cannabis policy or providing legal services related to cannabis; and an attorney designated by the office of the Attorney General to advise the taskforce.
- (c) Members of the cannabis control implementation advisory committee shall serve without compensation but shall be reimbursed for expenses, including travel expenses, necessary for the performance of their duties.
- (d) A majority of the members of the cannabis control implementation advisory committee present and voting shall constitute a quorum to conduct business, and the concurrence of a majority of all members present shall be necessary to make any action of the committee valid.
- (e) No member of the cannabis control implementation advisory committee shall be subject to chapter 84 solely because of the member's service on the committee.
- (f) The cannabis control implementation advisory committee shall be dissolved on December 31, 2025.
- **14.Ensuring Prompt Implementation.** It would be advisable to impose reasonably swift deadlines on the authority to accept applications and issue licenses. Several other states have been able to move quickly, enabling them to promptly benefit from new tax revenue and the benefits of legal regulation. For example, Maryland, Nevada, and Oregon all had legal sales begin less than six months after their laws' passage.

Mahalo for the opportunity to testify and for consideration of these proposed amendments. We must ensure the legalization of cannabis is rooted in justice and equity. Not an overly punitive approach which amplifies law enforcement.

ACLU of Hawaiʻi Drug Policy Forum of Hawaiʻi Marijuana Policy Project

Carrie Ann Shirota Nikos Leverenz Karen O'Keefe

Policy Director President Director of State Policies

On behalf of the entire Hawai'i Coalition for Cannabis Reform

Choose Aloha Program Dawn O'Brien, President 620 Waipā Lane Honolulu, HI 96817

March 12, 2024

TOPIC: Opposition to SB 3335 SD2, Legalization of Cannabis/Marijuana in Hawai'i

Aloha Leaders of Hawaii at the Hawaii State Capitol,

It is with utmost concern and aloha that I stand in great opposition to SB 3335 Relating to Cannabis. My name is Dawn O'Brien, President of HOPE HI and Aloha Ambassador of the \*CHOOSE ALOHA\* Program in 319 schools in Hawai'i. I've seen the impact of recreational use on many youth and adults and urge you NOT to make it easier to use.

We ask our drivers to not be under the influence of any substance when driving "Feel Different? Drive Different!" "Under Influence? Away from Driving!" — yet this bill would allow our state to be operated under the influence of cannabis. THC levels in today's cannabis substances are far higher than in the 1960s, 70s or 80s, making it a highly effective mind-altering substance. And, due to its addictive nature, it is the most effective gateway drug for introducing its consumers to far more serious drugs.

What will Hawai'i's future look like? We have only to look to the Oregon's cities who are now addict- and crime-riddled. Their legislators are now trying to reverse the curse of legalizing drugs like marijuana.

Finally, the bill states that the financial rewards and tax revenues of legalizing marijuana would greatly benefit the State of Hawaii—in reality the criminalization of our state is a far greater expense that will not be able to recover from. Both our Police Departments and our prisons are already short-staffed. Lack of enforcement and consequences is causing a mushroom cloud of crime in our Aloha State. By legalizing cannabis, you further destroy the 'ohana, community and moral fabric of our Aloha State, at the ultimate cost of our people, the taxpayers. Please vote NO on SB3335.

With Much Aloha & Great Concern,

Dawn O'Brien President, H.O.P.E. HI, Inc. & Aloha Ambassador, \*CHOOSE ALOHA\* Program (808) 551-5273



Hawai'i Children's Action Network Speaks! is a nonpartisan 501c4 nonprofit committed to advocating for children and their families. Our core issues are safety, health, and education.

To: House Committee on Judiciary & Hawaiian Affairs and House Committee on Agriculture &

Food Systems.

DATE: March 13, 2024; 2:00pm

PLACE: VIA VIDEOCONFERENCE and Conference Room 325

RE: SB 3335 SD2 - Comments and Suggested Amendments

Aloha Chair Tarnas, Chair Gates and members of the Committees.

On behalf of Hawaii Children's Action Network Speaks! (HCAN Speaks!) I am writing to express our concerns and provide suggestions regarding the proposal to legalize recreational marijuana in Hawaii. As an organization dedicated to the well-being of children, we believe it is crucial to carefully consider the potential impact of such legislation on the health and safety of our youth. We have significant concerns about the accessibility of marijuana to children and youth if it were to be legalized for recreational use. In states where marijuana has been legalized, there has been an increase in accidental ingestion by children, leading to emergency room visits and calls to poison control centers.

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

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

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

We provide the following suggested amendments:

Page 163, Lines 6 – 11, Regarding Social Equity Program, amend section to read: (2) Provide grants to assist social equity applicants that are community-based organizations for the purpose of developing, implementing, and supporting nonprofit projects, services, and

program that address community needs of disproportionately impacted areas, including housing and child care programs child care, pre-school, after-school and summer programs, and programs that build youth resiliency.

Page 166, Line 1, Regarding annual report on social equity program, add new item:

(4) Grants awarded to child care, preschool, after-school and summer programs and programs that build youth resiliency by County and program outcomes.

Page 171, Lines 1-12, Regarding Public health and education grant program, amend to read: (2) Provide grants to assist community-based organizations with developing, implementing, and supporting child and youth services, including child care, after-school and summer programs, and programs that build youth resiliency, youth recreational centers, services for supportive housing, counseling, and preventing or treating youth substance abuse;

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

Thank you for your attention to this important matter.

Sincerely,

Deborah Zysman, MPH Executive Director Committee on Judiciary & Hawaiian Affairs Rep. David A. Tarnas, Chair Rep. Gregg Takayama, Vice Chair

Committee on Agriculture & Food Systems Rep. Cedric Asuega Gates, Chair Rep. Kirstin Kahaloa, Vice Chair

Wednesday, March 13, 2024 Conference Room 325

RE: Comments on SB 3335, SD2 (SSCR3057) Relating to Cannabis

Dear Chairs Tarnas and Gates, Vie Chairs, and members of the committee,

The Hawai'i Afterschool Alliance respectfully would like to make comments regarding SB 3335, SD2. As our Department of Education and other community-based organizations, we would like to ensure that if our state decides to legalize adult recreational cannabis use, it must invest in education and substance abuse prevention initiatives.

Afterschool and summer programs are prevention strategies. They foster protective factors, which are linked to fewer behavior problems, reduced substance misuse, and improved academic performance. These programs provide safe spaces for young people to connect with their communities and build healthy self-esteem, personal agency, and problem-solving skills. Quality afterschool and summer programs also provide trauma-informed practices that offset the impact of Adverse Childhood

Experiences (ACEs). Addressing the impact of ACEs, in turn, reduces the development of substance use disorders and other future health concerns.

Research shows that youth who are not involved in constructive, supervised extracurricular activities are more likely to engage in risky behaviors such as school failure, drug use, and delinquency. It also shows that teens who do not participate in structured activities after school are nearly three times more likely to skip classes at school, experiment with drugs, and engage in sexual activity than teens who do participate.

For the reasons mentioned above, we would like the following language to be added to the bill:

On page 163, Lines 6 - 11, Regarding Social Equity Program, amend section to read:

(2) Provide grants to assist social equity applicants that are community-based organizations for the purpose of developing, implementing, and supporting nonprofit projects, services, and programs that address community needs of disproportionately impacted areas, including housing, and child care, afterschool and summer programs, and programs that build youth resiliency;

On page 165, Lines 12 - 21, Regarding annual report on the social equity program, add new item:

(4) Grants awarded to child care, afterschool and summer programs, and programs that build youth resiliency by program outcomes.

On page 171, Lines 1-12, Regarding Public health and education grant program, amend to read:

(2) Provide grants to assist community-based organizations with developing, implementing, and supporting youth services, including <u>child care</u>, <u>afterschool and summer programs</u>, <u>programs that build youth resiliency</u>, youth recreational centers, services for housing, counseling, and preventing or treating youth substance abuse;

Thanks for the opportunity to testify.

Sincerely,

Paula Adams
Executive Director
Hawai'i Afterschool Alliance
www.hawaiiafterschoolalliance.org



DATE: March 12, 2024

TO: Representative David Tarnas

Chair, Committee on Judiciary and Hawaiian Affairs

Representative Cedric Gates

Chair, Committee on Agriculture and Food Systems

Submitted Via Capitol Website

FROM: Mihoko Ito

RE: S.B. 3335, S.D.2– Relating to Medical Cannabis

Hearing Date: Wednesday, March 13, 2024 at 2:00 p.m.

**Conference Room: 325** 

Dear Chair Tarnas, Chair Gates, and members of the Joint Committees:

We submit this testimony on behalf of Cure Oahu in **support** of the intent of S.B. 3335, S.D.2. Cure Oahu is a vertically integrated licensed dispensary that has been operating in the State of Hawaii since 2018, with two retail locations in the Kapahulu and Kapolei areas.

S.B. 3335, S.D. 2 legalizes the personal adult use of cannabis, and among other things, creates the Hawaii Hemp and Cannabis Authority within the Department of Commerce and Consumer Affairs to oversee the program.

We are in support of continuing the discussion regarding adult use cannabis. We believe that comprehensive regulation is necessary to provide clarity for all parties involved in a legal, regulated system of cannabis. We also support the Cannabis Authority functioning as a single regulatory agency, so it has the tools it needs to address product integrity, maintain the medical use of cannabis, establish public safety safeguards and oversee program compliance.

We believe this measure provides a vehicle for these important discussions to continue. Thank you for the opportunity to submit testimony in support.

#### **SB-3335-SD-2**

Submitted on: 3/12/2024 7:45:03 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Maya Maxym	American Academy of Pediatrics, Hawai'i Chapter	Comments	Written Testimony Only

#### Comments:

Aloha Committee Members,

On behalf of our several hundred pediatrician members, the American Academy of Pediatrics, Hawai'i Chapter (HAAP), would like to draw the Committee's attention to the risk of harm to our keiki if this bill does not include a strict prohibition on flavoring cannabis products. Specifically, there should be a broad prohibition against all synthetic or other flavorings or additives to any THC-containing product that is smoked or vaped. When substances that are smoked / vaped are enhanced with flavors that attract adolescents and young adults (such as, but not limited to, bubblegum, fruit flavors, mint, etc), youth begin and continue vaping at much higher rates.

We have all seen children harmed by marijuana exposure in our practices, and some children have been admitted to the hospital for adverse effects, ranging from altered mental status and seizures to intractable vomiting, after accidental overdose or recreational use. To protect our youngest citizens, any bill that legalizes marijuana or synthetic cannabinoids for recreational use must include strict and enforceable protections to help prevent children from accessing these products. This should include prohibitions on marketing to children and adolescents; child-proof packaging that does not use cartoons, bright colors, or other designs that are likely to be appealing to children; and a strict prohibition on synthetic or natural flavoring of any THC-containing product for smoking or vaping.

We would be happy to provide additional information on best practices to protect children if it would be helpful. On behalf of the HAAP Advocacy Committee and our members caring for children and families throughout Hawai'i, thank you for your consideration.

/s/ Maya Maxym, MD, PhD

Co-Chair, HAAP Advocacy Committee

Maya.maxym@gmail.com



1654 South King Street Honolulu, Hawaii 96826-2097 Telephone: (808) 941.0556 Fax: (808) 945.0019 ite<sub>for</sub> Web site: www.hcul.org Email: info@hcul.org

Testimony to the House Committees on Judiciary & Hawaiian Affairs; and Agriculture & Food Systems

Wednesday, March 13, 2024, at 2:00 PM

Conference Room 325

#### Comments on SB 3335, Relating to Cannabis

To: The Honorable David Tarnas, Chair
The Honorable Gregg Takayama, Chair
The Honorable Cedric Gates, Vice-Chair
The Honorable Kirsten Kahaloa, Vice-Chair
Members of the Committees

My name is Stefanie Sakamoto, and I am testifying on behalf of the Hawaii Credit Union League, the local trade association for 47 Hawaii credit unions, representing over 864,000 credit union members across the state.

HCUL offers the following comments on SB 3335, Relating to Cannabis. HCUL's comments are limited to the provision that deals with banking services for commercial cannabis activity (Part XII, A-171 - pages 182-184).

This section of the bill attempts to provide safe harbor for financial institutions providing banking services to businesses dealing in cannabis, which is currently a violation of federal law. When the State of Hawaii legalized medical marijuana dispensaries in the state, several local credit unions were approached about the possibilities of opening member business accounts for these businesses. However, because of the nature of the business, federal law determines that credit unions would be unable to open these accounts. While some financial institutions on the mainland have made the decision to open these accounts, it is ultimately up to the individual institution. Coupled with what occurred with the Fourth Corner Credit Union in Colorado, the prospect of opening marijuana business accounts remains highly risky.

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



March 13, 2024

RE: SB 3335-Relating to Cannabis

Hawaii State Capitol

House Committee on Judiciary & Hawaiian Affairs (JHA) House Committee on Agriculture & Food Systems (AGR)

Dear JHA Chair Tarnas, AGR Chair Gates, and Committee Members:

I am writing to you in support of SB 3335 upon the inclusion of labor peace agreement language. United Food and Commercial Workers (UFCW) Local 480 represents roughly 3,000 grocery retail workers in the state of Hawaii. The UFCW International Union has helped lead the development and stabilization of the legal cannabis industry. We represent over ten thousand cannabis workers on the mainland in dispensaries, labs, delivery, kitchens, manufacturing, processing, and grow facilities. Wherever cannabis is legalized, we are helping workers secure better wages and good benefits with a union contract.

Labor peace agreements will reward responsible businesses and ensure that Hawaii's cannabis industry is driven by companies committed to making long-term investments in local communities.

Family sustaining, safe, middle class union cannabis jobs with benefits in Hawaii should be at the heart of any cannabis reform legislation. The regulatory framework governing this industry should put the needs of communities- from economic opportunity to racial and social justice - first. By ensuring that cannabis jobs have the highest labor standards as well as a robust apprenticeship program, we can build this newly formalized industry into one that begins to heal the mistakes of the past, support communities in the future, and ensures an industry presence that balances the cultural and economic concerns of Hawaiians.

Thank you.

Sincerely,

Pat Loo President

**UFCW LOCAL 480** 



#### SB3335 SD2 Legalize Cannabis

COMMITTEE ON JUDICIARY & HAWAIIAN

**AFFAIRS** 

Rep. David A. Tarnas, Chair

Rep. Gregg Takayama, Vice Chair

COMMITTEE ON AGRICULTURE & FOOD

**SYSTEMS** 

Rep. Cedric Asuega Gates, Chair

Rep. Kirstin Kahaloa, Vice Chair

Wednesday Mar 13, 2024, 2:00 Room 325

## Hawaii Substance Abuse Coalition Opposes SB335 SD2 with Recommendations:

ALOHA CHAIR, VICE CHAIR AND DISTINGUISHED COMMITTEE MEMBERS. My name is Alan Johnson. I am the current chair of the Hawaii Substance Abuse Coalition (HSAC), a statewide organization for substance use disorder and co-occurring mental health disorder treatment, prevention agencies and recovery-oriented services.

HSAC appreciates that a state-wide media campaign will occur before legalization on Jan 2026 and advocates that it be one year before.

## **Recommendations:**

Parents need to be more informed about youth's marijuana use so they can have an impactful discussion per Dr. Volkow, the foremost authority on drug addiction:<sup>1</sup>

#### Amend to add:

#### PART X: PUBLIC HEALTH AND EDICATIOIN

SA-151 Public health and education campaign: No later than July 1, 2025, January 1, 2025, the authority shall develop and implement a comprehensive public health and education campaign regarding the legalization of cannabis and the impact of cannabis use on public health and safety, including the health risks associated with cannabis and ways to protect children. Those risks to children include at least:

<sup>&</sup>lt;sup>1</sup> National Institute of Drug Abuse: Director Dr. Volkow: A Message to Parents. August 25, 2021. <a href="https://nida.nih.gov/videos/dr-nora-volkow-message-to-parents">https://nida.nih.gov/videos/dr-nora-volkow-message-to-parents</a>

(1) <u>Better communications are needed between teenagers and parents to prevent impaired brain development that affects kid's learning ability as they transition into adulthood.</u>

(2) Youth's use is disrupting the neuro architecture of youth's more vulnerable brain in a way that can jeopardize, not just youth's cognitive abilities, but their emotions and ultimately their likelihood of succeeding, including the risk of becoming addicted or developing mental illnesses.

(3) Warnings about rapid rise in youth vaping marijuana, which has a higher purity and much worse adverse effects.

(4) <u>Legalization is leading to changes in perception</u> that the use of marijuana is not harmful that may lead some people that otherwise wouldn't consume marijuana to consume it.

(5) Recognize that what may be okay for an adult may not be okay at all for an adolescent.

The public health and education campaign shall also include education to the public about the Hawaii cannabis law, including the potential risks associated with patronizing unlicensed dispensary locations, or otherwise procuring cannabis through persons not authorized by the authority.

#### **More Recommendations:**

**SA-83 (b)** add: (10) "Cannabis' intoxicating effects may be delayed up to 2 hours. Consumption of cannabis can cause impairments in judgement or coordination, please use caution. Cannabis overuse can lead to dependence and eventual addiction and may increase mental disorders such as depression anxiety, amotivational syndrome, and schizophrenia."

CDC warns how marijuana adversely impacts the youth by impairing brain development for decades because their brain is still in the development phase. Impaired are thinking, memory and learning as well as links to depression and social anxiety.<sup>2</sup>

Marijuana is the second most widely used intoxicant in adolescence, and teens who engage in heavy marijuana use often show disadvantages in neurocognitive performance, macrostructural and microstructural brain development, and alterations in brain functioning.<sup>3</sup>

HSAC urges the legislators to first pass an informational campaign to protect our youth as well as discuss the aspects of legalization for adults, which are not as harmful as it is to youth but should have adult health disclaimers.

<sup>&</sup>lt;sup>2</sup> Centers for Disease Control and prevention: Marijuana and Youth: The Impact of Marijuana Use on Teen Health and Welllbeing. 2022 https://www.cdc.gov/marijuana/featured-topics/marijuana-youth.html#:~:text=Marijuana%20use%20beginning%20in%20teen,and%20social%20anxiety%20in%20adults.

<sup>3</sup>NIH: National Library of Medicine: Jacobus J, Tapert SF. Effects of cannabis on the adolescent brain. Curr Pharm Des. 2014;20(13):2186-93. doi: 10.2174/13816128113199990426. PMID: 23829363; PMCID: PMC3930618 https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3930618/

### **More Recommendations:**

**SA-3 Definitions:** Debilitating medical condition means: (2) post-traumatic stress disorder. (Remove PTSD). Now that science is doing "valid" Clinical Trials, marijuana yields mixed results resulting in cautions concerning its efficacy.<sup>4</sup>

**SA-5 Limitations: (5) (B)** add to end of paragraph and substance use disorder treatment.

**SA-45 Limitation: (2):** add to end (H) and abstinent-based substance use disorder adult or adolescent residential treatment. Treatment services are treating cannabis addiction in group sessions.

**SA-53 Limitation (2):** add to end (H) and abstinent-based substance use disorder residential treatment. Treatment services are treating cannabis addiction in group sessions.

**SA-85 Advertising (12) (c,)** amend to add what is highlighted: No person shall place or maintain, or cause to be placed or maintained, any sign or other advertisement for a business or product related to cannabis, in any form or through any medium whatsoever, within seven hundred fifty feet of the real property comprising of a school, public park, or public housing project or complex or substance use disorder residential treatment center.

HSAC applauds the legislature for ensuring language is in this bill to protect our kids given its danger in use for under-developed brains.

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

<sup>&</sup>lt;sup>4</sup> NIH (National Institute of Health): National Library of Medicine: Journal of Psychiatry and Neuroscience: Abizaid A, Merali Z, Anisman H. Cannabis: A potential efficacious intervention for PTSD or simply snake oil? J Psychiatry Neurosci. 2019 Mar 1;44(2):75-78. doi: 10.1503/jpn.190021. PMID: 30810022; PMCID: PMC6397040. <a href="https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6397040/#:~:text=Unfortunately%2C%20the%20available%20data%20showing,to%20cautions%20concerning%20its%20efficacy.">https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6397040/#:~:text=Unfortunately%2C%20the%20available%20data%20showing,to%20cautions%20concerning%20its%20efficacy.</a>

#### PETITION TO BE SUBMITTED TO THE 2024 HAWAII STATE LEGISLATURE AND GOVERNOR JOSHUA GREEN

Dear Governor Green and Hawaii State Legislators:

We, the undersigned, ask for your favorable consideration of NOT legalizing the recreational use of marijuana in the State of Hawaii.

Printed Name	Signature	Zip Code of My Residence	eser <sup>3</sup>
Sue Fujitani	Luc Fajifaw	96813	
Jul K-14mg	J. Kaji Rain Sant	96734	
Bertha Kay,	Certher Raini	96819	
Kaven Oya	Karen Oya	96817	
Roy Matsuo	Roy Mals	96819	
ROBERT TAKUSH.	Sount Jahrsh	96782	
Jane Chai	My Chor	96817	
Eilun Clarla	Ele Clark	9.4.814	
Charlene Vaughn	Charlene Vaughn	96782	
Viva Inouge	The Dy	96819	
Patsy Chu	Patry Chi	96814	
Diane Fujio	Deane Fujeo	96813	
Rosa Brown	Clant From	96013	
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Dear Governor Green and Hawaii State Legislators:

We, the undersigned, ask for your favorable consideration of NOT legalizing the recreational use of marijuana in the State of Hawaii.

Thank you for your time and attention to this matter.

Zip Code of My Residence **Printed Name** Signature Jan Noe 96819 Beth unique ale & The PEARL LEE Mona Chock, 96813 96701 Cynthia Odriro 96814 Patsy Chu 16816 BURRY Draw 96816 96817 Pauline V. Baba 96515 City though CHOY CINDY 96315 your Just Chap CHOY CHOW FOOK

## PETITION TO BE SUBMITTED TO THE 2024 HAWAII STATE LEGISLATURE AND GOVERNOR JOSHUA GREEN

Dear Governor Green and Hawaii State Legislators:

We, the undersigned, ask for your favorable consideration of NOT legalizing the recreational use of marijuana in the State of Hawaii.

Printed Name THERES A YAMAMOTO	Signature	Zip Code of My Residence
Mary Castillo	Many Castilly	96817
DAVID YONEDA Raymond Maxashir	may forge	96817
Francisco I. Fell	· e0/	96795
EVELYN Amba Estrella Pablo	tryant.	- 96818 96818
Leonie Ramine nivis Vargas		96817
Bradley Lau		96789.
DIANA Day Tengro	Dantais	96819
Roland Manuel	Relad Manul	96817
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Printed Name Willa Dornelly Lillian Tangke Charlen Hoselawa	Signature Millowelly Sung laple Charles Gaolane	Zip Code of My Residence 96817 96918 96817
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Ins Takysh	Frie Der Mi Dakuhi	96817 16821
Carole S. Suzui	Carling Sugar	96817
Virlet Kondo Virlet Kondo Aileen Wong	Violet Fondo Coleen le ma	96819
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Sharon Hatu Teresa Sasaki	The Rittle	96814
GUERRORO	Dorved General	96812

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ALICIA NAGARINA Lilian S. Imatsuka 96817  Pauline J. Balga Afleria Respora 96876  JOYCE R Dalaman Fauline g. Balba 96817  Arlene Dec Jamamoso Caleman Jana 16813  JANDA CHIU Links Chin 96701	
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MARYANN PADILLA Jugan Palle 796701	

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Printed Name	Signature	Zip Code of My Residence
Linda Maballo	Lindu Westalls	96701
Dana Antonia	Ora Cotais	96819
DIANIA ANTONIO MILCE Nalcamoto	Orana Cintario Cueso Dalmo	- 968/9
Patricia Shin	Polon Vilas	94817
WALTER MYSSHIRU	Mongerly	96817
Joyce Wong		·
	Jeran abox	96831
Beth Miguel	fanel	91010
J.V. DAVIASAL	former of	96819
Ailen Wang	Other Way	96813
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Hroshi Kate		9674d
Patsy Chu	Hating Un	96814
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# Committee on Judiciary & Hawaiian Affairs Chair David Tarnas, Vice Chair Gregg Takayama and Committee Members

## Committee on Agriculture & Food Systems Chair Cedric Gates, Vice Chair Kirtin Kahaloa and Committee members

I strongly continue to oppose the advancement of this Senate Bill 3335, to legalize the use of recreational cannabis "by adults!" We are all very well aware that this will easily fall into the hands of our minors and will likely have a devastating effect on their lives and future!

What exactly is the primary justification for approving this "adult" use of recreational cannabis aka marijuana? potential for more revenue? by establishing taxes for adult-use on cannabis sales? Highly unlikely, as it will just make it easier for street sales and homegrown cannabis users.

#### State of Hawaii Dept. of Health stated concerns in their testimony:

Legalizing adult use of cannabis should be expected to have a negative impact on the health of the public. Whereas cannabis can provide a medical benefit for certain medical conditions, patients can access this through the medical cannabis program. Recreational use is therefore not a program to provide medical benefit and would only add harm.

The four county Police Chiefs along with the Mayor and Prosecutor oppose this bill and for obvious reasons! ... see civilbeat website

Colorado was the first state to legalize marijuana for "recreational use" 10 yrs. ago! So how has it worked out for them? It has resulted in an "increased traffic accidents and fatalities, as well as a significant rise in marijuana-related hospitalizations and underage use of the drug. Meanwhile, so many of the benefits supporters promised would come with legalizing cannabis have failed to materialize. Then there's just the sad degradation in the quality of life in Colorado that has accompanied the growth of weed culture."

**Definitely not what they had expected or hoped for! But the article goes on: "**The undeniable consequences have included increased traffic accidents and fatalities, as well as a significant rise in marijuana-related hospitalizations and underage use of the drug.'

#### and What about those states that foolishly followed Colorado?

There were also significant increases in <u>Washington</u> (8.4 percent), Oregon (9.2 percent) and California (5.7 percent) after these states followed Colorado's lead and legalized marijuana.

In Colorado, the share of <u>traffic deaths</u> involving drivers who tested positive for marijuana went from 11 percent in 2013 to 21 percent in 2020, according to a Rocky Mountain High Intensity Drug Trafficking Area <u>report</u> published in 2021. There were a total of 622 deaths in 2020 compared to 481 in 2013. ... westernjournal <u>website</u>.

#### Were any of you aware?

#### Cannabis Users Have Higher Levels of Toxic Heavy Metals in Their Bodies: Study

A new study has found that marijuana users have statistically higher levels of lead and cadmium in their blood and urine compared to people who don't use the drug. ... ... full article here NTD website.

In closing, for the sake of our state and our people, I ask that you oppose and stop this bill from moving forward.

Respectfully, Rita Kama-Kimura

Submitted on: 3/10/2024 2:12:22 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Chanara Casey Richmond	Individual	Oppose	In Person

### Comments:

I, Chanara Casey Richmond, oppose SB3335. We now have a legal precident where a person charged with murder is innocent because the court deems they were not responsible for their actions due to the fact that they were under the influence of marijuana. Our electric traffic sign here in HI says, "if it makes you feel different, it makes you drive different." The claim that marijuana is harmless is a lie.

Marijuana users undergo visible personality changes. They become nonchalant and apathetic. They lose their motivation, their drive, their desire to overcome and achieve. These people are not aware of these changes in their personality, but the people around them, who do not use this drug, can see these changes clearly. Marijuana users are not themselves. Their mental capacity and overall potential has been diminished. And because they do not perceive this, it is the responsibility of those who DO see it to protect them.

It's been 10 years since Colorado legalized recreational marijuana. Here are their consequences.

SUICIDE rate for people found with marijuana in their toxicology report increased 5X

SCHOOL DROP OUTS - Marijuana users are 2.3 times more likely to quit school than non-users.

TRAFFIC DEATHS where drivers tested positive for marijuana increased almost 3X.

The promise of State REVENUE INCREASE IS A LIE. Marijuana revenue is less than 1% of Colorado's State Budget.

The promise of REDUCED ALCOHOL USE iS A LIE. Statistics for alcohol consumption have not altered.

The statistics speak for themselves. Legalizing recreational marijuana will harm Hawaii. The only reason anyone could support this bill is because (1) they, themselves, are under the influence of this drug, (2) they don't give a damn about the mental health of our children, or (3) they want to deliberately weaken our society. Stoned zombies are easily manipulated, deceived and controlled.

I urge you. Please do not pass this bill. Please do not decieve our children into believing this drug is harmless. Please keep this illegal drug illegal. Thank you.

# Testimony

### IN SUPPORT

SB3335, SD2 - Relating to Cannabis

Aloha Chairs Tarnas and Gates:

My name is Dr. Craig Pollard.

Thank you for the opportunity to testify in strong support of SB3335, Relating to Cannabis. This measure seeks to provide a regulatory framework for adult use of cannabis while generating badly needed revenue for the state.

As a pharmacist who has practiced in this state for many years, I have seen the toll that opioid. medicines take on our communities firsthand. In many of these cases, patients have verbalized to me that they wish they had never started down this path. Legalizing and regulating adult use of cannabis will give these community members the easiest access possible to safe, lab tested and an effective alternative to opioids. It should be easier to access cannabis than opioids for responsible adult use for obvious reasons.

Currently, more than 80% of Hawaii voters support legalizing and regulating cannabis use for adults. Adults can decide for themselves whether cannabis is right for them or not. Currently, otherwise responsible and law abiding citizens are driven to unregulated cannabis sources for a plethora of reasons that include-not fitting the criteria for medical use; cost prohibitions; fear of registering on a state data base (especially if you are a professional), unwillingness to lose legal access to firearms for hunting, among others.

The truth is that we already have a defacto "recreational" market that is dominated by unregulated, underground transactions. There is confusion in the marketplace about what is legal dispensary cannabis and not because there are unregulated dispensaries advertising online and set up at Ala Moana mall right now under the nose of law enforcement and regulators. SB3335 would address this by regulating and taxing the cannabis industry.

This measure provides for strong enforcement that would reduce risk of illicit sales and exposure for Hawaii's keiki and the public. In addition, the measure would establish a new 14% cannabis tax. Together with GET as well as income and corporate taxes the bill has the potential to provide a

significant revenue stream for the state. Close to \$40 million within the first year of initial sales; and over \$100 million per year when the industry fully matures.

SB3335 would also transfer staff and funding of the Office of Medical Cannabis Control from the Department of Health to the newly formed Cannabis Authority. This transfer would provide the resources necessary to implement an adult-use cannabis regulatory program without further funding. This approach would also be consistent with initial funding levels other states have provided to launch their regulatory programs for adult-use.

I respectfully urge the committees to pass SB3335 to safeguard the public, support the majority of Hawaii's voters desire to allow for adult use, and establish a new tax revenue stream that is now being lost to the illicit market.

Mahalo,

Dr. Craig Pollard, Pharm. D.

Submitted on: 3/11/2024 2:02:14 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Drew Daniels	Individual	Support	In Person

Comments:

**Testimony** 

IN SUPPORT

SB3335, SD2 - Relating to Cannabis

Aloha, Chairs Tarnas and Gate,

My name is Drew Daniels. I am writing in support of SB 3335 as I believe legalizing cannabis for adult use would be one of the best decisions we could make for Hawaii this year. This measure seeks to provide a regulatory framework for adult use of cannabis while generating badly needed revenue for the state.

Currently, more than 80% of Hawaii voters support legalizing and regulating cannabis use for adults. At this point, 24 other states and districts across the United States have legalized cannabis use. In fact, the majority of tourists visiting Hawaii are coming from places where cannabis is already legal. By moving on this issue now, you are not only establishing a regulated market to capture local sales and tax revenue but we are setting up Hawaii farmers to establish themselves now for export potential when Federal legalization inevitably comes.

While many have spoken about how legalization could be detrimental, the fears of increased crime and community danger are unwarranted. These red herring claims are factually incorrect. In fact, studies by the CDC have shown that in markets where adult use has been legalized - youth cannabis use has actually declined. Another study by Quartz Media shows that in the four legal states they assessed, traffic deaths fell by an average of 12 percent in the three years immediately following the adoption of adult-use marijuana legalization. By contrast, deaths increased nearly two percent over this same time in the five control states.

The main reason these false claims are unwarranted is because a thriving cannabis industry already exists in Hawaii. It is just illegal/unregulated. Currently in every district in Hawaii, there is imported, untested cannabis in counterfeit packaging being sold freely to whoever has the cash to buy it. You can order it through Instagram, have it delivered to your door, and you can even get products at kiosks in malls. The fear that a responsible, regulated market will wreak havoc on our communities is simply untrue.

In fact, legalizing cannabis should reduce the burden on law enforcement, free up resources to focus on more serious crimes and legitimize local farmers, operators and entrepreneurs. If you truly care about public safety, we should legalize and regulate a local market and tax the sales that are already happening. Inaction on this only empowers the illicit market to continue shipping in out-of-state products and shipping out lost potential tax revenue and local career opportunities. This measure would establish a new 14% cannabis tax. Together with GET as well as income and corporate taxes the bill has the potential to provide a significant revenue stream for the state upwards of \$40 million within the first year of initial sales; and over \$100 million per year when the industry fully matures!

Whether we label it medical, recreational or adult-use, the plant works the same. And the fact of the matter is that tested and regulated products subject to quality control standards encourage safe and responsible cannabis use. This measure is an opportunity to establish a healthy, legal industry that fosters community engagement and education around cannabis use while promoting dialogue and understanding about responsible consumption to prevent potential risks.

By putting an end to cannabis prohibition, Hawaii will generate significant tax revenue, create valuable jobs for our locals, and set forward a safe and legal framework for current operators to step out of illicit operations. We can do this right. It starts with legalizing adult use now.

I respectfully urge the committees to pass SB3335 to safeguard the public, support the majority of Hawaii's voters desire to allow for adult use, and establish a new tax revenue stream that is now being lost to the illicit market.

Mahalo for your consideration.

# Testimony IN SUPPORT

SB3335, SD2 - Relating to Cannabis

### Aloha Chairs Tarnas and Gates:

I'm David Pitt, and I appreciate the opportunity to express my unwavering support for SB3335, relating to cannabis. This bill is a crucial step towards establishing a regulated framework for adult cannabis use in Hawaii, addressing public safety concerns and creating a sustainable revenue source for the state.

As a caregiver, grower, patient and industry professional with years of experience spanning multiple states, I have witnessed the inner workings of cannabis policy at every level. Through my diverse exposure, I've come to intimately understand how regulated and organized adult use access directly benefits our communities. It not only ensures the well-being of participating individuals and municipalities, but also contributes to our overall growth and prosperity both socially and economically. This framework fosters safe commerce that would otherwise be driven to a dangerously unregulated place in the vacuum created by a limited medical market or caregiver program.

Working in the cannabis industry has also provided a way for me to support my family, allowing me to bring my wife back to her home state of Hawaii. The jobs and opportunities that are created within this burgeoning industry will afford Hawaii's talented workforce the opportunity to support themselves and their families. Our abandoning workforce can be motivated to stay or return home, and not have to relocate to pursue their passions and grow in their careers. We do Hawaii's industry professionals a grave injustice anytime we make them feel persecuted or unsupported for the way they chose to financially support their families.

Currently, over 80% of Hawaii voters support the legalization and regulation of cannabis for adults. However, the majority of the cannabis trade in our state operates through unregulated channels, posing severe risks to public health and safety. SB3335 seeks to address this by implementing comprehensive regulations.

This bill includes provisions for robust enforcement to combat illicit sales and protect our keiki and communities. Furthermore, it introduces a 14% cannabis tax, which, alongside existing tax revenues, has the potential to significantly bolster our state's finances.

- Nearly \$40 million within the first year of initial sales; and
- Over \$100 million per year when the industry fully matures

SB3335 also proposes transferring resources from the Office of Medical Cannabis Control to the newly established Cannabis Authority, ensuring adequate funding for the implementation of adult-use cannabis regulations. This approach mirrors successful strategies adopted by other states in launching their regulatory programs.

I respectfully urge the committees to pass SB3335, aligning with the majority of Hawaii voters' desires and offering a pathway to guarantee public safety while generating substantial revenue for our state that is currently funding illicit entities in our state.

Mahalo,	
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David Pitt

# Testimony IN SUPPORT

SB3335, SD2 - Relating to Cannabis

Aloha Chairs Tarnas and Gates,

Thank you for the opportunity to testify in strong support of SB3335.

My name is Michael Medeiros, I am Native Hawaiian raised in Hilo. I have lived in California and Colorado and have seen the positive benefits that cannabis can have on a community. When I moved back to Hawaii from Colorado, I was excited to become a part of that positive change for Hawaii.

Cannabis has had such a positive impact on my life. It helped me when I did not want to rely on opiates for pain relief and still to this day helps me cope with regular pain. I firmly believe that every adult deserves the right to decide whether they can use cannabis without fear of judgment or imprisonment.

Cannabis is already being bought and sold in state and dominated by illicit sales of untested cannabis. The state should regulate cannabis sales for adults so people can have confidence that the cannabis they are buying is locally grown, lab tested, and free of pesticides. People are going to buy cannabis regardless, so why not create safe access and generate tax revenue to benefit the people of Hawaii. SB3335 addresses this by regulating and taxing an adult-use cannabis industry.

SB3335 SD2 establishes a new 14% cannabis tax. The new cannabis tax plus GET plus income and corporate taxes have the potential to provide significant revenue stream for the state estimated to generate roughly \$40 million per year of initial sales and over \$100 million per year when the industry fully matures. SB3335 would also transfer staff and funding of the Office of Medical Cannabis Control from the Department of Health to the newly formed Cannabis Authority. This transfer would provide the resources necessary to implement an adult-use cannabis regulatory program without further funding. This approach would also be consistent with initial funding levels other states have provided to launch their regulatory programs for adult-use. For example- Massachusetts was able to establish their program with only \$7.5 million in initial funding despite having a population 5 times the size of Hawaii's and Alaska established its adult use program for roughly \$7 million.

I respectfully urge the committees to pass SB3335 SD2 to safeguard the public, support safe access for adult use, and establish a new tax revenue stream that is now being lost to illicit sales.

Mahalo, Mike Medeiros

<u>SB-3335-SD-2</u> Submitted on: 3/11/2024 10:10:41 PM Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
David Carona	Individual	Oppose	In Person

# Comments:

I ""do not"" support this measure.

#### I oppose SB3335.

The Massachusetts cannabis regulatory framework, the first state to develop a Social Equity program, has failed in its endeavors. A pattern emerges in cannabis legislation where those who create the regulations do not seek **counsel from the industry** they intend to regulate. They seek counsel from regulators who congratulate themselves on their successes but hide the dysfunction, drama, low morale, and inefficiency of the policies they enforce until the legislature must return to revise bills. The wasted tax dollars implementing Massachusetts rules that neither protect the public nor reduce the black market are uncountable.

The cannabis industry in Hawaii can be developed into a people-first [program], and the legacy market is experienced and responsive to supply and demand. Bill SB3335 is responding to the wishes of the Hawaii Attorney General and law enforcement agencies, who have failed to reduce the unregulated industry year after year. The fact that legislators, Dept of Health, and the attorney general embark on this legalization mission (a trip to Massachusetts) and have no cannabis industry experience is the failure of this bill. This is clear because the state right next door, Maine, has the best program in the state to date. Maine medical/adult use policy has been repeated over and over, and professionals brought in to provide testimony but once again ignored by the Dept of Health. The DOH continues to be complacent about these matters, resulting in legislators not having valued information when deciding statutes.

The bill outlines its potential failings but does not address why the policies have failed; "Legalization is also not a panacea for eliminating the illicit market in cannabis, as the experience of other states is that the illegal market continues to exist in parallel to the legal, regulated market.

Massachusetts has failed to eliminate the black market because it has over-burdensome regulations that don't consider the natural consequence of creating a high bar to licensure. The small businesses, legacy growers, and sellers who cannot acquire the 1.5-million-dollar war chest to open a facility will continue to supply consumers who do not want to pay the high prices of indebted companies. This is the law of supply and demand. Making it more challenging to open will make the Attorney General sleep better. Still, it will only bolster the black market and drain lawenforcement dollars better suited to the opiate epidemic and stop drunk drivers.

The Massachusetts Cannabis Control Commission has skilled inspectors who are instrumental in industry compliance but look to the turnover rate of the Commissioners themselves for evidence that their role is unnecessary and dysfunctional. No member of the original commission remains, and none have had first-hand experience in the industry- as inspectors, licensing agents, or industry workers. Because they are separated from the industry and hand-tied in chipping away at bloated bureaucracy, the black market continues, the regulated market favors Big Marijuana and local 'ma and pa' businesses fail. I encourage you to look to regulatory models in Vermont and Maine, where industry profits stay local, black markets are squelched out by the plethora of local, small businesses, and Big Marijuana has little incentive to suck profits to their distant shareholders. Additionally, seeking to understand how an industry is regulated by learning only from other regulators who created rules based on zero experience with how a cultivator might scale up a farm or how consumers prefer to acquire products also bolsters the black market. Seek out testimony from caregivers and consumers in Hawaii and other states. If you want to perpetuate the disconnect between governments and the cannabis industry and support the black market, make

the bar to entry high. If you are ready to acknowledge that cannabis is as ubiquitous but less harmful than alcohol, then look to your alcohol regulations and create an industry where diversity and local profits are the norm.

I also recommend that the state review SB2619, "The Hawaii Medical Use of Cannabis Act of 2024." which has been hand-delivered to many legislators but did not receive a hearing. The state must reinvent its medical cannabis program with fair regulations. The current dispensary system is a monopoly and has failed the medical patients of Hawaii. The state making the dispensaries an uncontrolled for-profit model has allowed the owners of these dispensaries to charge unfair prices and force those who cannot afford medicine to be without or go to the black market.

I would suggest you start over with legalization talks and involve the people of Hawaii, whether for or against legalization, who need to have their voices heard. It's clear from these meetings that you are dividing the people of Hawaii.

Thank you,

Jason Hanley

Care Waialua

# Testimony IN SUPPORT

SB3335, SD2 - Relating to Cannabis

Aloha Chairs Tarnas and Gates,

My name is Justen Paiva, a proud lifelong resident of the beautiful district of Puna on the Island of Hawaii. Today, I address you not just as an advocate but as a witness to the transformative power of compassion and legislation intertwined in the fabric of SB3335, a groundbreaking cannabis legalization bill for our beloved state.

Allow me to share a story close to my heart, one that epitomizes the urgency and necessity of supporting this bill. It's the journey of a dear friend battling cancer, navigating through the treacherous waters of pain, nausea, and the harsh side effects of traditional medications. In her darkest hours, she found solace in cannabis. Through our collective efforts, we maximized the power of this plant by utilizing products like Full Extract Cannabis Oil, lozenges/gummies, and vaporization cartridges. We tailored a regimen to alleviate her suffering, while complementing her ongoing treatment.

Remarkably, her prognosis defied expectations. Initially given a mere eight months, she surpassed all odds, and is now a cherished member of our Ohana to this day. The additional years gifted to her have been adorned with moments of joy, laughter, and profound connections.

SB3335 represents more than just a legal milestone; it's a lifeline for those ensnared by pain and affliction. Its passage will ensure that the power of this plant reaches every resident who may benefit from its medicinal properties, not just the privileged few that can afford the annual cost of maintaining a Hawaii Medical Cannabis Card. It's a step towards a more equitable and compassionate future for all.

The potential advantages of cannabis legalization extend far beyond its medicinal realm, encompassing social and economic benefits accessible to all residents. With over 80% of Hawaii voters in favor, SB3335 aims to regulate and tax the industry, tackling the black market (by virtually eliminating accessibility through drug dealers, which exposes Cannabis users to Methamphetamine, Ecstasy, Opioids, fentanyl, and more), while generating significant tax revenue estimated to be close to \$40 million annually, potentially reaching more than \$100 million as the industry matures.

While acknowledging the concerns raised in opposition, I urge you to consider the broader implications of this measure. Regulatory inaction only perpetuates confusion and risks public safety. The mentality of those who subscribe to the outdated ideology of "Reefer Madness" can be detrimental to public safety, fostering fear and misinformation rather than evidence-based policies.

By centralizing cannabis regulation under a single authority, we can streamline operations, promote safety, and eliminate regulatory gaps. As the federal landscape evolves, it's imperative that Hawaii takes a proactive stance, establishing a framework aligned with potential federal changes. SB3335 is a crucial step towards that future, one where compassion, empathy, and holistic well-being guide our legislative endeavors.

Furthermore, beyond the resources transferred from the Office of Medical Cannabis Control and Regulation (OMCCR), the State can generate revenue by charging fees for licenses under SB3335. With the potential issuance of more licenses in the first year, additional fees could be collected, supporting programs like social equity, grants, and improved enforcement. This funding is sustained by tax revenues from adult-use cannabis sales, following the model of many other states.

I implore each of you to join us in championing SB3335. Let us be the architects of change, forging a path towards a brighter, more inclusive tomorrow for all residents of Hawaii.

Mahalo for your time and consideration.

Justen Paiva

Submitted on: 3/12/2024 12:41:57 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Earl Everett	Individual	Oppose	In Person

# Comments:

I am strongly opposed to Bill, **SB 3335 SD2**, and recommend this Bill be deferred to 2050.

I am a Parole Officer with the Hawaii Paroling Authority. I am strongly opposed to **SB 3335 SD2** because the short-term implications and long-term effects this bill will have on rehabilitation of offenders, increase lawless behavior of offenders, and increase in crimes and revictimization by offenders in our community. Here are a few reasons I'm opposed to this Bill.

SB 3335 SD2 Puts profits above risk.

**SB** 3335 **SD2** Removes the terms and conditions of parole for marijuana use by parolees. When a parolee slips into addiction because of their marijuana use, Parole Officers will no longer have the authority to provide intervention services that may be necessary for recovery and to deconflict other problems parolee maybe experiencing in their life because of their addiction (homelessness, martial problems, job loss, mental health crises).

**SB** 3335 **SD2** Increase lawlessness among parolees. The Bureau of Justice indicates between 60 to 80 percent of drug abusers commit new crimes. Marijuana is a gateway drug to harder drugs which oftentimes leads to anti-social and pro-criminal behaviors. Parole Officers will spend approximately 85 percent of his/her time when working with an offender bouncing between providing intervention services, monitoring, and accountability of parolee. Here in Hawaii, when parolees are arrested on new criminal charges, a significant amount of parolee report they were under the influence of mind-altering drugs at the time of their incident.

SB 3335 SD2 Increase crimes and re-victimization of offenders in our community. Parole Officers utilize collateral contacts with the parolee's family members, employers, and neighbors for safety and security reasons. Many of the field complaints PO's receive from the public either comes from family members of the parolee and, or the State & Local Law Enforcement Agencies (Sheriff and HPD) calling to verify if a parolee under investigation are on active parole supervision. Most of the complaints from family members are related to domestic violence in the home. Oftentimes family members will report parolee's impairment to mind altering substance at time of the incident. When this happens, PO's must be able to act swiftly to ensure the safety of the family and to prevent further re-victimization of the family members and community.

# CONCLUSION:

Please make your vote count and vote NO to recreational Marijuana Use.

Mahalo!

Earl Everett

Submitted on: 3/12/2024 1:56:01 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Katherine T. Kupukaa	Individual	Oppose	In Person

Comments:

Katherine T. Kupukaa

SB3335 SD2

Date: 3/13/24

Time: 2:00pm

Place: Conference Rm 325

My opposition to this bill is it provides no benefit to our community regarding health, welfare and safety. But the negative impact is great. Please do the right thing and not pass this bill. Law enforcement in the Hawai'i Islands and Honolulu Prosecutor, Steve Alm are in opposition. I've heard testimonies from highly respected medical doctors, professors, and an official from New Zealand talk about individuals health not only adults but especially children bill be impaired mentally as well as physical. Please I urge you to use wisdom learn from the cities that now acknowledge the huge mistake in approving legalization of recreational use of marijuana. Thank you for the opportunity to voice my concern.

Submitted on: 3/12/2024 3:40:31 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
CALVIN T CHINEN	Individual	Oppose	In Person

# Comments:

Dear Honorable Committee Members,

I am opposed to SB 3555 and I ask you to not pass this bill.

I ask that you heed the warnings against this bill by the State leaders of our Health, Law Enforcement, Education, Social Welfare, Religious, Community, and Drug Rehab Leaders. These people represent the wisdom of Circe warning Ulyssis (in the Odyssey) against the hidden shoals. In spite of the attractive and luring Sirens of this bill, they pale in the face of the negative impact and inevitable destruction that it will have upon our Hawai'i families and youth.

I ask that you just sit back and look at our everday communities in Hawai'i. If you pass this bill, you know for certain "pot shops" will open throughout Hawai'i - especially in our poorer communities. I live on the Windward Side and we already have several "vaping" shops. If you pass this bill, there will be many more. There is no question.

We all know for certain that many more young people are going to use these drugs no matter how many regulations there are. How many underage youth already experiment with drugs, vaping, alcohol, and other "illegal" legal substances? How many more will be exposed to and "experiment" with pot in spite of regulations?

We all certainly know that families will be destroyed by legalized marijuana. We all know for that the poor will be affected the worse. Just think - how many pot shops will there be in Kahala? How many more "siren" pot shops in Kaneohe?

I urge you to not pass this unenforceable bill. One more youth, adult, or family destroyed is too many. Let's give our youth far better things in which to rejoice. E hauoli na opio Hawaii nei, Oli e! Oli e!

Sincerely,

Cal Chinen

Submitted on: 3/12/2024 5:05:04 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Lokahi Koki	Individual	Oppose	In Person

Comments:

Aloha everyone,

My name is Lokahi Koki.

I am a resident of the Waianae Community.

And I stand in opposition to this bill.

As a Husband and a Father - and as a Contributing Community Member - my family and I came alongside Council Member Tupola's - "RESTORE, RECONNECT, & REVIVE PROGRAM" - that provides resources to the homeless living on the Waianae Coast.

And beyond this resource, this is just ONE of the ways that we as Community Members, can offer "HOPE" to those struggling in our community.

It was just last Wednesday that my son and I handed out flyers to the homeless living on Ma'ili Beach.

We met 2 gentlemen who were in their late 20's. They were high and under the influence of drugs. Initially, they were very cautious but once they realized that we were offering them something good, they let their guards down - and were open to what we had to share.

It was really, for these two, a glimpse of "HOPE."

If this Bill is passed, the Promises and the Words that are written on this Bill - will never reach these 2 gentlemen.

Instead... Do you know what will reach them?

Here's the answer:

A bag of Weed and a Message from the Government saying, "That DRUGS is now the ANSWER!

And that Drugs have always been the Answer - and it's been the missing piece for the people of Hawaii." And that you can now, "PUT YOUR HOPE IN DOPE."

Is this the best we can offer?

Is this the best we can do?

If this Bill is passed:

Those 2 gentlemen on the beach - will lose.

My family and I - will lose.

Those who live in our community - will lose.

We will lose because... DRUGS IS NOT THE ANSWER, and it's Never been the answer, or the Hope, for the people in our community - or for the people of Hawaii.

There is Truly ... "No HOPE in DOPE"

Thank you

Submitted on: 3/10/2024 9:59:18 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Joy Chinen	Individual	Oppose	Remotely Via Zoom

Comments:

Dear Representatives,

First of all, thank you so much for serving our beautiful State. There is no where else in the world like Hawaii. We are so fortunate.

I googled "Where is marijuana legal?" and the list is 25 States and Guam, therefore, 26 places. Reading what and where it is legal is mindboggling: Only 4 or 6 plants; cannot consume in public; only age 21 and above; cannot grow it at home; can only grow 6 plants, but only 3 can be mature at a time. HOW ARE OUR LAW ENFORCEMENT OFFICERS GOING TO DO THIS?

Please DO NOT LEGALIZE THIS DRUG IN OUR HAWAII. We will be opening a "can of worms" that will cause our culture, our society to deteriorate. The handwriting is on the walls of the States that have legalized recreational marijuana. The National Institute on Drug Abuse and the American Addiction Centers say that marijuana is a gateway drug. The Centers for Disease Control states that 3 in 10 people who use marijuana develop Marijuana use disorder. Please do not allow our State to be filled with marijuana shops. I am a grandmother that is concerned for my grandchildren's safety, success in school, and families that are thriving.

Hawaii is the land of Aloha. Let's keep it that way!

# SB3335 - Legalization of Cannabis in Hawaii

My name is Ian Correa and I am a Undergraduate student at the University of Hawaii at Manoa. I strongly support the bill to establish the Hawai'i Cannabis Authority and Control Board, legalizing personal adult cannabis use starting January 1, 2026 (SB3335). This legislation presents Hawaii an opportunity. It addresses industry regulation while generating revenue and public safety by ensuring no possible tampering of the product, being laced with fentanyl, etc.

Making it legal for adults to use cannabis personally is a sign of progress that agrees with changing public views and evidence-based ways to make drug laws. By making cannabis legal, Hawaii has a chance to take apart the hidden market, lessen criminal charges, and use law enforcement to deal with more important safety problems. Expanding on this idea, it allows our Kupuna, who may use cannabis to treat pain and illnesses they may face. My grandma has had knee surgery and has a hard time walking sometimes. Along with this, she also attended to the needs of my great grandfather who passed recently. This took a toll on her physically and mentally. Allowing adult use of cannabis here in Hawai'i would allow my grandmother a way to destress when things get crazy and overwhelming, while also treating the pain she experiences as she gets older.

Going back to the idea of our Kupuna using cannabis for medicinal use, legalizing cannabis takes some of the stress that may come with the use and process of obtaining a medical green card. For those who may want to use cannabis, for an injury or illness, but legally can't due to laws that have been put into place, we run the risk of our people reaching out for that next substance in order to treat themselves. With this being legalized, I believe that we will see a decrease in other drugs such as crystal meth, crack, etc. This is because they'll have legal access that they've desired for so long. We can take a look at the other states that have already gone through this process and have had little to no bumps. These states being California, Connecticut, Colorado, Delaware, etc.

SB3335 - Legalization of Cannabis in Hawaii

The establishment of the Hawai'i Cannabis Authority and Cannabis Control Board is

another important step in structuring a well-regulated, transparent framework for the cannabis

sector here. Centralizing oversight within Commerce and Consumer Affairs promotes steady,

effective enforcement of rules on growing, processing, distributing, and selling cannabis.

Setting up taxes on cannabis for adults and medical patients to buy gives a big

opportunity to create a stream of revenue. This revenue can support important services like

education, healthcare, programs to stop substance abuse, and treatment plans. These services will

help communities and make people healthier, ensuring that this legalization won't go south.

Moving workers and resources from the Hawaii Department of Health and Department of

Agriculture to the Hawaii Cannabis Authority will help things run smoothly. It takes advantage

of their experience to correctly manage marijuana, again, ensuring that passing this bill won't go

south and will better our communities.

In conclusion, I urge you to support this bill, as it represents a progressive and pragmatic

approach to cannabis regulation in Hawai'i. By establishing the Hawai'i Cannabis Authority and

Cannabis Control Board, legalizing personal adult use, and implementing taxes, we can create a

well-regulated industry that prioritizes public health, safety, and social equity.

Thank you for considering my testimony in support of this important legislation.

Sincerely, Ian Correa

Submitted on: 3/11/2024 10:32:41 AM Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Jesse Reppuhn	Individual	Oppose	Remotely Via Zoom

### Comments:

Aloha, my name is Jesse Reppuhn, I am a student at the University of Hawaii, and I am Strongly Against the passing of bill HB2600 on cannabis legalization. I am an 18-year-old student who lives in Kaneohe and formerly attended Castle High School. Under my living conditions I have grown up seeing drugs and alcohol all over the place whether it was family, social gatherings, or even my friends casually doing it for fun. In my short 18 years of life, I have personally seen 2 of my friends and classmates I've known most of my life pass away due to cannabis consumption both in car accidents. On top of this, countless other classmates I've had have had their lives ruined due to addictions from experimenting cannabis. I know multiple students who experimented with certain drugs or alcohol and then became addicted causing them to quit sports, get sent to Olomana, and eventually drop out of school. On top of this, when more adults are being allowed to consume cannabis, that also can ruin a child's life. Having easier access to these drugs will allow for the feeding of unnecessary addictions. Marijuana is a medical substance, there is no reason to allow the public to obtain said drug without dire need. The government does not have any true way to regulate the use of cannabis in the youth population. No amount of education or restrictions will stop drugs from reaching the wrong audience. Therefore, I strongly believe the best thing that our government can do to protect our youth is to provide the citizens of Hawaii with the least number of drugs and alcohol that they can. I understand the medical uses of marijuana may help people but there is truly no need to allow the rest of the public access to it. I know it may seem as though this will regulate the production and distribution of certain drugs and alcohol, but the bottom line is that it will not. I personally know houses with marijuana plants growing in their back yard and there are many more than just a few on this island. This bill does nothing but put more and more drugs on the market for our youth to obtain. There is a very high lack of attention being given to youth and the public-school systems. The legislature needs to understand the situation of the students in places like my home in the Kaneohe & Kahaluu area as well as so many other places on our beloved islands. The state and the DOE do nothing to keep our children safe and protected and it starts with knowing what's going on in the homes of the less fortunate. I wish to see the day where I do not have to worry about my loved ones going out and not coming home. I have seen more dead friends than I would like to have seen at this age and hope to not see any more any time soon. I strongly believe the state needs to wake up and start doing things for the benefit of the children and not their agendas. I once again am Fully Against the legalization of cannabis in Hawaii. Thank you for your time.

Hawaii State House of Representatives Committee on Judiciary and Hawaiian Affairs Committee on Agriculture 415 S. Beretania Street Honolulu, HI 96813

Hearing March 13, 2024 2:00 PM Conference Room 325

Testimony of Jennifer Flanagan SB3335, SD2 - Relating to Cannabis

Chair Tarnas and Chair Gates,

My name is Jen Flanagan. I'm testifying in support of SB3335, SD2.

I am a former founding member and was the public health appointee of the Massachusetts Cannabis Control Commission. Prior to that, I served for many years in the State Senate and the State House of Representatives for the Commonwealth of Massachusetts.

Recently, I had the opportunity to meet a number of Hawaii legislators and staff from the State's Attorney General's office who sought to learn more about our state's adult cannabis use policies. Massachusetts served, in part, as a model for the legislation before the committees today, SB3335.

Let me start by making clear that I was highly skeptical when Massachusetts enacted its adult cannabis use legislation. I shared many of the same fears expressed recently by Honolulu's prosecutor and law enforcement officials, especially given my background in public health. However, through my involvement in our cannabis commission and as I observed our legal cannabis market unfold, I am now a firm believer in legalizing, regulating, and taxing this industry.

Massachusetts was mindful in establishing its program to avoid delays and cumbersome policies given the existing prevalence of illegal criminal cannabis sales. Allowing legal sales quickly was, therefore, vital to ensuring the success of our adult-use cannabis program. To that end, we launched our commission with an initial appropriation of approximately \$2.7 million and an additional annual operating budget of \$5 million. We were able to issue licenses within 12 months starting from scratch with this approach and limited funding.

Across the country, most states' initial budget appropriation and funding to launch their respective adult-use programs were well under \$10M and hovers at a per capita cost for

residents at less than a dollar per resident (\$0.95). Thereafter, programs and enforcement resources are expanded as tax revenue is generated through legal sales.

Hawaii has a unique opportunity to implement its adult-use cannabis program utilizing the Office of Cannabis Control which currently oversees the state's medical cannabis program as is contemplated under the current draft of the bill. I understand that the existing funding through this office is roughly \$10 million – which would equate to \$6.93 per in cost per resident – more than enough to implement an effective program and probably among the highest per capita funding levels in the country. In Massachusetts, we weren't as lucky to have these existing resources and staff.

I fully support SB3335 and Hawaii's vision for legalizing adult cannabis use. At the same time, I would urge the legislature to heed the cautionary tales from other jurisdictions that have created expensive and difficult to implement policies and programs that have led to delays and allowed illegal cannabis operations to take root.

Massachusetts and the vast majority of other states with adult-use programs have demonstrated that encouraging legal sales early with relatively low start-up costs is not only possible but is also the most effective way to deter illegal activities.

You might ask just how effective was Massachusetts' adult-use regulations? In 2022, Massachusetts generated \$157 million in cannabis excise tax alone, not including state sales tax, county taxes, and income taxes. In 2021, we collected roughly \$112.4 million. In 2020, the cannabis excise tax yielded \$51.7 million. This revenue is now an important part of our state's budget and is utilized to fund the cannabis regulatory agency, social justice efforts, law enforcement, and numerous other programs.

Thank you for the opportunity to testify. I hope that Hawaii can learn from our efforts in Massachusetts. I welcome any questions or comments from members of the committees.

Submitted on: 3/12/2024 2:11:47 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Bill Hicks	Individual	Oppose	Remotely Via Zoom

# Comments:

For every legislator who has regularly taken positions in support of public health and public safety, I urge consistency! For the sake of public health and safety, do not legalize the recreational use of marijuana.

The testimony you have already received is crystal clear that legalizing the recreational use of marijuana would be harmful to public health and safety. Such use leads to an increase in psychotic disorders. Such use leads to an increase in suicidal behavior. Such use during pregnancy adversely affects babies and children. Such use has an environmental impact. Such use adversely impacts brain development in young adults. Such use poses additional safety hazards on roadways, in industrial activities, and in healthcare settings. Hawaii does not possess the infrastructure to cope with the additional strain that increased use of marijuana will clearly create.

Malie Cannabis Clinic

1050 Queen St.

Suite 100

Honolulu, Hawaii 96813

Chair Tarnas, Vice Chair Takayama, and Chair Gates and Kahaloa,

Thank you for hearing testimony on this significant measure. Cannabis legalization has become a hot topic nationwide and worldwide. The truth is that it should have never been illegal in the first place, and the war on drugs has caused irreparable damage in our communities.

When considering legalization in Hawaii, please consider some of the unintended issues this can cause.

# Effects on current medical cannabis patients

 This bill would limit the amount of cannabis that can be grown to ten plants per household. This means that people growing over ten plants would be criminalized (again).

# Increased enforcement

- It would also create a 25-member cannabis nuisance and abatement team within HPD, providing money and staffing for enforcement. This would also make a task force that needs to justify its existence through arrests and prosecution.
- This bill also creates five new positions within the AG; we can only assume this is to
  prosecute people who got arrested by the new task force. People who are currently
  growing cannabis legally under our medical program would become criminals overnight if
  this bill is enacted.
- This bill would also create a new cannabis DUI, which would take away people's licenses for two years if they test over ten nanograms of THC per milliliter. This doesn't consider that people who use cannabis medically tend to metabolize THC differently due to different disease states. Who is going to do this testing? HPD? Hospitals? Cellblock? How much will the equipment cost? How much will it cost to train the officers to use it?
- This bill also lacks basics in social equity, including expungement of records, probation, and resentencing.

### **Economics**

- This bill would also create several new license categories. If we look at other states, most of these licenses will go to individuals who are well-funded. Even small craft cannabis farms can cost 1 to 2 million to become operational to licensing standards. Without ways to secure lines of credit, how will local legacy growers be able to become legal?
- Will legal cannabis strengthen our economy? When looking at other states on the surface, taxes have increased services. But is that true? States where adult use of cannabis is legal have seen drops in tax revenue, and often, alcohol and tobacco taxes outpace cannabis in revenue nationwide(1). How much tax revenue is spent on enforcement? Overall cannabis taxes represent about 1% of tax revenue (2)
- Will adult use of cannabis create new jobs? And if it creates new jobs, what kind
  of jobs is it making? I just looked on Indeed, and the jobs for the dispensaries
  started at 15 dollars an hour and topped out at 19 dollars an hour. Is this the type
  of job growth that we were looking for?
- How much is this going to cost taxpayers? In the original bill from the AG's
  office, the estimate was 47 million dollars annually. Who is going to pay for
  that?

# **Adolescent Cannabis use**

 Adolescent use: will legalization increase cannabis use in Hawaii youths? Most statistics compare Adult use states to states with complete prohibition. However, in a 2021 study where recreational Marijuana in Alaska is compared to Medical Use in Hawaii, Alaska saw a significant increase in cannabis use once they created a recreation program (3). This bill also criminalizes youth for possession, which will cause a lifetime of issues for youth who are caught with even small amounts of cannabis.

In closing, no one should go to jail for cannabis; legalization should create ways that decrease the risk of incarceration and punishment for possessing, growing, and using a plant. This isn't legalization. This is a commercialization bill. That will have consequences and profoundly affect the medical cannabis program. It is also incredibly expensive as it is written especially when it comes to enforcement. Please consider why so many medical patients have already testified against this bill, and if you do pass it out of this committee, please consider taking out the heavy law enforcement elements that it currently has. And please keep the extended start date to allow for rule making, and the formation of a program.

# References

1. Brainerd, J. (2020, August). *A brief update on state cannabis taxation*. National Conference of State Legislatures.

https://www.ncsl.org/fiscal/update-on-state-cannabis-taxation

- 2.https://www.urban.org/policy-centers/cross-center-initiatives/state-and-local-finance-initiative/state-and-local-backgrounders/marijuana-taxes
- 3.. Lee MH, Kim-Godwin YS, Hur H. Adolescents' Marijuana Use Following Recreational Marijuana Legalization in Alaska and Hawaii. Asia Pacific Journal of Public Health. 2022;34(1):65-71. doi:10.1177/10105395211044917

Submitted on: 3/12/2024 10:54:54 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Wendy Gibson-Viviani	Individual	Comments	Remotely Via Zoom

# Comments:

TO: HOUSE OF REPRESENTATIVES, COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS and COMMITTEE ON AGRICULTURE & FOOD SYSTEMS

FROM: Wendy Gibson-Viviani, RN

RE: Comments on SB3335 SD2

HEARING: Wednesday, March 13, 2024 at 2:00 PM, Room 325 and via videoconference

Dear Chairs Tarnas and Gates, Vice Chairs Takayama and Kahaloa and Members of the Committees,

My name is Wendy Gibson-Viviani and I am an RN. I've been a Cannabis Nurse Educator and cannabis patient advocate for 10 years. I've been a resident of Oahu for 30 years. I was a member of the Dual Use of Cannabis Task Force in 2022. I am a member of Hawai'i Alliance for Cannabis Reform.

While I support adult-use legalization -- because the main purpose is to STOP criminalizing people who use cannabis -- I cannot support SB3335 SD2 until many changes are made.

This bill is a minefield of "New Crimes" that could easily blow-up innocent people's lives and criminalize any of our nearly 32,000 medical cannabis patients. These new crimes need to be removed from the bill:

- 1. The per se, drug testing for THC to determine if a person is guilty of driving impaired
- 2. The open container crimes -- in a car or at a home

**RE:** The per se drug testing -- to determine if a person is guilty of driving impaired.

Please look at recent comments made by Frances Scott, a physical scientist at the National **Institute of Justice**, Office of Investigative and Forensic Sciences under DOJ. She says:

"States may need to "get away from that idea" that marijuana impairment can be tested based on the concentration of THC in a person's system."

Multiple reports from The U.S. Dept of Transportation show that: "It is not possible to conclude anything about a DRIVERS impairment based on THC levels in the blood."

And, as you know, the **penalties for this crime are extremely high**.

Patients who use cannabis daily are likely to have higher levels of THC in their bloodstream because it may be stored in fat for weeks. A completely sober driver could have high levels, while an impaired driver could test with low levels of THC. So, using this test, a sober medical cannabis patient could be criminalized, while an impaired driver could walk free.

If you allow THC testing, you will be granting prosecutors permission to use a flawed test to determine whether a person is a criminal or not. Prosecutors should not be allowed to use this to fulfill the burden of proof of impaired driving. In Colorado, an increase in law enforcement officers--trained in recognizing drug use, increased drug detection rates.

A 2021 study found that smoking CBD-rich marijuana had "no significant impact" on driving ability, despite the fact that **all study participants exceeded the per se limit for THC** in their blood. [link to study at https://academic.oup.com/fsr/article/6/3/195/6802651]

I ask you to please listen to what the experts are saying now. They warn that we shouldn't use this test. If patients are arrested they will have to abruptly stop using their medicines when they go to jail.

**RE:** Open container in a car or at home. Two more landmines that could criminalize patients. Chemotherapy patients are NOT allowed to use cannabis in healthcare facilities. One may need to pre-medicate in a parked car, right before the infusions. They are at risk of being caught with an "Open Container". At home, a patient will be required to keep medicine(s) in sealed, child-proof containers, even if they have difficulty opening them and no children live with them.

I imagine that it is very difficult to reverse prohibitionist drug laws—and that you are hearing loud voices urging you to keep cannabis illegal—to protect society. I imagine the same thing happened when alcohol prohibition ended. And, yet, society has learned to adapt to living with people who drink low and high strength alcohol — a much more dangerous drug than cannabis.

Legalization can be viewed as a way to protect society and help patients.

We have a growing body of evidence from states that legalized, that when cannabis use goes up, the use of opiates, benzodiazepines and alcohol goes down. And, these are the **top three substances** that people **overdose on every single day** in the U.S. Reducing use of these more harmful substances may lead to less overdose deaths, **less drugged driving**, and less damages to health.

Legalization could help those who want to participate in Hawaii's Medical Cannabis Program but do not have one of the qualifying conditions on the list. Many patients could gain access to medicines that are tested and labeled.

This bill could weaken existing medical cannabis laws and harm patients. If current patient protections are rescinded, patients could:

- lose custody and visitation rights to their children
- be presumed to be guilty of neglect or child endangerment,
- be denied an organ transplant, enrollment in a school, or denied a property lease.

This is disturbing. Please do not rescind any of these patient protections.

And, please **avoid criminalizing patients** by setting a limit of 5 qualifying patients cards per cooperative grow site. [See \$A-117 (b)]. If you are going to impose this restriction, please take into account that hundreds of patients currently grow in collectives -- with more than 5 cards.

The restriction will likely result in at least one thousand patients losing access to their medicine(s) or being threatened with the loss of their 329 cards if they continue to grow at the current sites. Perhaps the existing grow sites could be grandfathered in and going forward those who want to grow with more than 5 cards per site could petition the regulatory authority to do so?

Healthcare professionals strive to provide "continuity of care" and avoid disruptions of care. Patients need steady access to the right medicines, at the right time. This is true for all medicines, including cannabis. Certain patients need certain types of cannabis and have found ways to grow it. Please do not rob them of their ability to get the medicines they have found to be therapeutic and affordable.

In summary, please legalize cannabis for adult-use without creating a minefield of new crimes that could blow up medical cannabis patient's lives. Please do not rescind current patient protections. Please do not impose a 5-card limit without providing some avenue for hundreds of patients to continue growing their own medicines.

Thank you for this opportunity to testify in support of our nearly 32,000 medical cannabis patients in Hawaii. Please do contact me if you have any questions.

Wendy Gibson-Viviani RN/BSN --Kailua

Cannabis Nurse Educator/Medical Cannabis Patient Advocate

CannabiseducationHI@gmail.com

(808) 321-4503

# Representative David Tarnas, Chair House Committee on Judiciary & Hawaiian Affairs

Representative Cedrick Gates, Chair House Committee on Agriculture & Food Systems

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

Wednesday, March 13, 2024 2:00pm

Re: SB335 SD2 Relating to Cannabis

Dear Chairs Tarnas and Gates, Vice-Chairs, and members of the committees. I'm submitting my testimony in <u>strong opposition</u> to SB3335 SD2.

My name is Allen Cardines, Jr. I've served families and communities in various capacities on West Oahu for over twenty years. I have witnessed the root cause of many of the dangerous, deadly, and devastating host of problems of marijuana in our communities. Overwhelmingly number of men, women, and youths in recovery programs had admitted this. Legalizing this powerful drug, marijuana will make it worse.

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

### ABCs of why our children and families need more hope, not dope

#### 1. ADOLESCENT ADDICTION

- a) Cannabis use disorder: Marijuana is the #1 drug in Hawaii (64.7%) for adolescent substance abuse treatment
- b) Vaping marijuana: 12.5% of Hawaii teens report vaping marijuana
- c) Addicts turn to a life of crime to support their addiction
- d) Addiction is often called a "family disease" because those closest to the addicted person usually suffer the most.
- e) A 50-year study found that marijuana use is linked to a 7-fold greater odds of subsequent violent crime. https://learnaboutsam.org/mental-health/
- f) It's a BAD IDEA, OUR CHILDREN NEED MORE HOPE, NOT DOPE

# 2. BRAIN DISORDER (Mental Illness)

a) Mental illness and suicidal ideation: Frequency and higher THC potency are associated with psychosis, hallucinations, suicidality, reshaping of brain matter, and addiction. (New York Times, June 22, 2023) Psychosis, Addiction, Chronic Vomiting: As Weed Becomes

- More Potent, Teens Are Getting Sick <a href="https://www.khon2.com/local-news/suicide-in-hawaii-by-the-numbers/">https://www.khon2.com/local-news/suicide-in-hawaii-by-the-numbers/</a>
- b) Mental illness, domestic violence, sexual exploitation and trafficking, fights and lockdowns and local high schools, gun violence, homicides involving teenagers!
- c) Suicide rates for teens could rise. (Read this article from Massachusetts General Hospital). Massachusetts has legal recreational marijuana
- d) https://learnaboutsam.org/science/
- e) It's a BAD IDEA for OUR CHILDREN'S MENTAL HEALTH AND SAFETY. THEY NEED MORE HOPE NOT DOPE!

### 3. CRIMINAL ACTIVITY

- a) Addicts turn to a life of crime to support their addiction.
- b) The crime rate in Colorado has increased 11 times faster than the rest of the nation since legalization. with the Colorado Bureau of Investigation reporting an 8.3% increase in property crimes and 18.6% increase in violent crimes.
- c) A 50-year study found that marijuana use is linked to a 7-fold greater odds of subsequent violent crime. https://learnaboutsam.org/mental-health/
- d) Marijuana is the root cause of many criminal activities among teenagers in our communities.
- e) Marijuana is the root cause of many domestic violence, gun violence, homicides, and sexual exploitation, and sex trafficking in our communities.
- f) It's a BAD IDEA, OUR CHILDREN NEED MORE HOPE, NOT DOPE

### 4. DRUGGED DRIVING

- a) THC positivity among fatally injured drivers (in Hawaii) increased nearly threefold, from 5.5% in 1993-200 to 16.3% in 2011-2015
- b) Marijuana is involved in more than 1 in 4 road deaths in Colorado.
- c) "Cannabis does impair your ability to drive, it inhibits your perception of time, distance, and speed," Cole said. "So we see a lot of people under the influence of cannabis getting DUIs, getting into a crash." <a href="https://www.kktv.com/2024/02/06/cdot-study-shows-increase-gen-z-driving-high-colorado/">https://www.kktv.com/2024/02/06/cdot-study-shows-increase-gen-z-driving-high-colorado/</a>
- d) More DOPE means more fatal car crashes, more emergency and hospital admissions
- e) <a href="https://learnaboutsam.org/resources/">https://learnaboutsam.org/resources/</a>
- f) It's a BAD IDEA for OUR CHILDREN'S PUBLIC HEALTH AND SAFETY. WE NEED MORE HOPE NOT DOPE!

#### 5. ECONOMIC AND FINANCIAL NIGHTMARE

a) One life and family destroyed by dope isn't worth legalization! Like on August 4, 2024. This person started with marijuana, turned to a more potent form of marijuana, vapes, and steroids, then died from fentanyl. Like many of our people, their nightmare journey to death and destruction started with marijuana. ONE LIFE AND FAMILY DESTROYED BY DOPE ISN'T WORTH LEGALIZING THE POWERFUL DRUG MARIJUANA!



- b) Hawaii businesses are closing, and many more are struggling to find workers and stay open. This bill will hurt, not help, their bottom line! https://www.hawaiinewsnow.com/2023/05/24/where-have-all-workers-gone-hawaiis-chiefeconomist-explains/
- c) Cannabis tax revenues are expected to range from \$36-\$51 million in year five. Which represents approximately 0.5% of total tax collections
- d) In Colorado, for every \$1 of tax revenue, the state spends \$4.50 counteracting legalization effects. <a href="https://www.youtube.com/watch?v=W9iXFCkQNdc">https://www.youtube.com/watch?v=W9iXFCkQNdc</a>
- e) BLACK MARKET WON'T GO AWAY
  - In legalized states, the black market is expanding as they undercut the retail price.
  - In 2018, CA grew 12 million pounds of pot, only sold 2.5 million
  - In California, 72,00 marijuana vape cartridges were seized in a single bust of a warehouse tied to state-licensed Kushy Brands (Pellz, 2019)
- f) <a href="https://learnaboutsam.org/industry-profiles/">https://learnaboutsam.org/industry-profiles/</a>
- g) It's a BAD IDEA, OUR CHILDREN NEED MORE HOPE, NOT DOPE

### 6. FAMILY PROBLEMS

- a) Pregnancy: "No amount of marijuana use during pregnancy or adolescence is known to be safe." Dr. Jerome Adams, US Surgeon General 2019
- b) Pediatric poisonings: Calls to poison control centers about kids 5 and under consuming edibles containing THC rose 1,375% from 2017 to 2021 (<u>Drug Free 2022</u>) Children's ER Visits for Accidental Exposure to Marijuana Rise After Legalization
- c) Children are the future of Hawaii and this bill will hurt our future! (<u>USA TODAY, January 2023</u>) More kids are being treated for eating marijuana-laced gummies, other edibles at home
- d) <a href="https://learnaboutsam.org/mental-health/">https://learnaboutsam.org/mental-health/</a>
- e) https://learnaboutsam.org/marijuana-victims/
- f) It's a BAD IDEA for MOMS AND CHILDREN. WE NEED MORE HOPE, NOT DOPE!

### 7. GENERATIONAL PROBLEMS

- a) We are already seeing the exponential and generational host of problems with marijuana in our families.
- b) We need to treat and beat this problem in this generation. One family at a time.
- c) https://learnaboutsam.org/mental-health/

d) IT'S A BAD IDEA FOR FUTURE GENERATIONS, WE NEED MORE HOPE NOT DOPE!

### 8. HOMELESSNESS PROBLEMS

- a) According to the 2023 Point in Time Count, 31% of unsheltered individuals reported substance abuse problems
- b) According to the 2023 Point in Time Count, 39% of unsheltered individuals reported mental illness problems
- c) According to the 2023 Point in Time Count, 39% of unsheltered individuals reported domestic violence problems
- d) https://www.partnersincareoahu.org/pit
- e) It's a BAD IDEA, OUR CHILDREN NEED MORE HOPE, NOT DOPE

### 9. WHAT SAFEGUARDS?

- a) Will this help the health, safety, productivity, and bottom line in schools and the workplace?
- b) How are safeguards working with domestic violence in our communities?
- c) How are safeguards working with gun violence in our communities?
- d) How are safeguards working with sexual exploitation or sex trafficking in our communities?
- e) How are safeguards working on school campuses?
- f) How are safeguards working with youth suicides and mental health issues?
- g) How are safeguards working with illegal fireworks?
- h) It's a BAD IDEA WE NEED MORE HOPE, NOT DOPE

### 10. HAWAII DOESN'T HAVE TO FOLLOW A BAD IDEA

- a) Are we going to follow others because they jump off a cliff?
- b) The host of problems associated with recreational marijuana will forever undermine the Spirit of Aloha
- c) https://learnaboutsam.org/wp-content/uploads/2023/04/2023-Report.pdf
- d) It's a BAD IDEA, WE NEED MORE ALOHA NOT DOPE

### **SUMMARY:**

**LEGALIZING THIS POWERFUL DRUG CALLED MARIJUANA IS A BAD IDEA FOR OUR KEIKI IN 96792 It will cause a host of problems for our keiki and community!** We could expect more fatal car crashes, more emergency and hospital admissions, an increase in the black market, and more poison control calls.

Marijuana is not what it used to be. THC potency has increased from 3% in the 1970s to over 25% today. THC concentrates can reach 90-90% potency.

**Lastly, we ask that you PROTECT OUR KEIKI AND COMMUNITY and vote NO** to legalizing this powerful drug called marijuana.

Thank you for this opportunity to testify on SB3335.

Mahalo,

Allen Cardines, Jr.

Submitted on: 3/12/2024 12:50:41 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Ron Yoshida	Individual	Oppose	Remotely Via Zoom

## Comments:

Aloha Honorable Legislators,

First of all I want to say Mahalo for all you do to help improve the quality of life for all of us in our beloved Hawaii. I'm writing to express my sincere and heartfelt OPPOSITION to SB3335, a bill that would legalize the recreational use of marijuana. I know that marijuana use is rampant all over Hawaii and especially by our youth, especially through vaping and edibles. My concern is that if we legalize recreational marijuana, access to marijuana and marijuana products will be so much easier to get. I know this will add funds to our economy, but the negative impact would far outweigh the financial benefits. Negative impacts such as the increase in marijuana related crime, car accidents due to driving while "high", young people overdosing due to vaping THC oil, and the list goes on and on, as statistics have shown in other States, such as Colorado, and regon.

The marijuana of the 1960s and 70s is nowhere near as strong in its THC content as it is today (5% back then to now upwards of 80%). Also as a former Certified Substance Abuse Counselor (CSAC) in Hawaii, I have seen the detrimental effects Cannabis use has had on youth and their families.

Marijuana also continues to be a "Gateway drug" and therefore I cannot agree with the Governor's statement that this will decrease the use of harder drugs by users. Here is an article in Psychology Today that support this:

## From Psychology Today:

https://www.psychologytoday.com/us/blog/all-about-addiction/201807/is-marijuana-gateway-drug?amp

"Is Marijuana a Gateway Drug?

There is a lot of debate about whether marijuana is actually a harmful drug and whether it does act as a gateway to more "hard" drugs like cocaine, heroin, and more.

A recent research article sought to examine whether the use of marijuana really produced reductions in opioid use. It used a large dataset from a well established national survey that was conducted between 2001 and 2005 to answer this question. The overall results suggested that marijuana use actually significantly and substantially increased the odds that a person would misuse opioid medication after using marijuana. This large study, published in a respected psychiatric journal, was used in some recent articles to remind us of the gateway

theory of marijuana use, which I think deserves some more thought."

I humbly asked you to please vote "No" on this bill.

Much Mahalo, Ron Yoshida (808) 265-5566

Submitted on: 3/13/2024 8:32:44 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Brayden Napoleon- Thomas	Individual	Support	Remotely Via Zoom

# Comments:

I'm Brayden Napoleon-Thomas and I'm a undergraduate student from the University of Hawaii at Manoa and I support HB 2600/SB 3335.

Submitted on: 3/8/2024 3:21:03 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Lynn Murakami Akatsuka	Individual	Oppose	Written Testimony Only

## Comments:

I **strongly oppose** the passage of SB 3335, SD 2 which would legalize the personal adult use of cannabis beginning January 1, 2026 and establishes taxes for adult-use cannabis and medical cannabis sales.

SB 3335, SD 2 sadly is trying to justify that personal adult use of cannabis will provide income to the state through taxes. I have no problem with the medical use of cannabis for pain management for those suffering from chronic conditions or debilitating diseases because their doctors are involved in the assessment and managing of the individual's health care in the use of cannabis as a pain management treatment.

Under federal 17 law non-hemp cannabis is an illegal drug and is a schedule I controlled substance under the Uniformed Controlled 2 Substances Act. In previous testimonies there are many health and enforcement agencies as well as individuals that have stated **strong opposition** with objective documentation and data of opposing the passage of SB 3335, SD 1. Hence, my testimony strongly opposing this version of SB 3335, SD 2.

These are facts that should not be taken lightly. The personal adult use of cannabis (non-medical) would increase the health risks (in particular, substance abuse and mental health issues), and increase the safety risks of our residents and their families - on our roads, workplaces, and in our communities. Likewise, for our visitors to the islands.

Thank you for the opportunity to submit written testimony in **strong opposition** of SB 3335, SD 2.

Submitted on: 3/9/2024 5:36:11 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Dr. Gregory Hungerford	Individual	Oppose	Written Testimony Only

## Comments:

## I oppose SB3335.

The Massachusetts cannabis regulatory framework, the first state to develop a Social Equity program, has failed in its endeavors. A pattern emerges in cannabis legislation where those who create the regulations do not seek counsel from the industry they intend to regulate. They seek counsel from regulators who congratulate themselves on their successes but hide the dysfunction, drama, low morale, and inefficiency of the policies they enforce until the legislature must return to revise bills. The wasted tax dollars implementing Massachusetts rules that neither protect the public nor reduce the black market are uncountable.

The cannabis industry in Hawaii is alive and well, as the legacy market is efficient, experienced, and responsive to supply and demand. Bill SB3335 is responding to the wishes of the Hawaii Attorney General and law enforcement agencies, who still need to reduce the unregulated industry year after year.

The bill outlines its potential failings but does not address why the policies have failed; "Legalization is also not a panacea for eliminating the illicit market in cannabis, as the experience of other states is that the illegal market continues to exist in parallel to the legal, regulated market.

In addition, there are practical difficulties in identifying individuals who may be impaired by cannabis while driving, including the lack of a cannabis analog for a breathalyzer for alcohol." Massachusetts has failed to eliminate the black market because it has over-burdensome regulations that don't consider the natural consequence of creating a high bar to licensure. The small businesses, legacy growers, and sellers who cannot acquire the 1.5-million-dollar war chest to open a facility will continue to supply consumers who do not want to pay the high prices of indebted companies. This is the law of supply and demand. Making it more challenging to open will make the Attorney General sleep better. Still, it will only bolster the black market and drain law-enforcement dollars better suited to the opiate epidemic and stop drunk drivers.

Data shows THC levels are not correlated with driving impairment.1 Every state that legalizes fears the stoned-driving menace... which never materializes. Grants to educate law enforcement is a positive approach, but ask any law enforcement authority which controlled substance kills the most motorists in marijuana-legal states. Focusing on stoned driving is an emotional approach, not a data-driven one.

The Massachusetts Cannabis Control Commission has skilled inspectors who are instrumental in industry compliance but look to the turnover rate of the Commissioners themselves for evidence that their role is unnecessary and dysfunctional. No member of the original commission remains, and none have had first-hand experience in the industry- as inspectors, licensing agents, or industry workers. Because they are separated from the industry and hand-tied in chipping away

at bloated bureaucracy, the black market continues, the regulated market favors Big Marijuana and local 'ma and pa' businesses fail. I encourage you to look to regulatory models in Vermont and Maine, where industry profits stay local, black markets are squelched out by the plethora of local, small businesses, and Big Marijuana has little incentive to suck profits to their distant shareholders. Additionally, seeking to understand how an industry is regulated by learning only from other regulators who created rules based on zero experience with how a cultivator might scale up a farm or how consumers prefer to acquire products also bolsters the black market. Seek out testimony from caregivers and consumers in Hawaii and other states. If you want to perpetuate the disconnect between governments and the cannabis industry and support the black market, make the bar to entry high. If you are ready to acknowledge that cannabis is as ubiquitous but less harmful than alcohol, then look to your alcohol regulations and create an industry where diversity and local profits are the norm.

I also recommend that the state review SB2619, which has been hand-delivered to many legislators but did not receive a hearing. The state must reinvent its medical cannabis program with fair regulations. The current dispensary system is a monopoly and has failed the medical patients of Hawaii. The state making the dispensaries an uncontrolled for-profit model has allowed the owners of these dispensaries to charge unfair prices and force those who cannot afford medicine to be without or go to the black market.

Thank you,

Dr. Gregory Hungerford

Submitted on: 3/9/2024 9:13:10 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Esther Gefroh	Individual	Oppose	Written Testimony Only

## Comments:

To whom it may concern,

I am once again writing in opposition to this terrible law being proposed in Hawaii.

The legalization of marijuana for recreational use must not become law. We have enough problems with drunk drivers and now imagine they not only drive drunk but also in a mind altering state due to drug use. No matter how the proponents of this bill present it, marijuana is still a drug.

It is a betrayal to the citizens of this state to have our legislators slowly but methodically change marijuana from being an illegal drug, to a drug for medical use only and now they want anyone to be able to use it whenever and whereever they want.

This bill should not become law unless you don't care about your law-abiding working citizens. or the keiki of Hawaii.

Sincerely yours,

Esther Gefroh

<u>SB-3335-SD-2</u> Submitted on: 3/9/2024 9:55:50 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Ronald Gouveia	Individual	Oppose	Written Testimony Only

Comments:

NO TO RECREATIONAL MARIJUANA

Submitted on: 3/9/2024 10:24:14 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Maura Tanaka	Individual	Oppose	Written Testimony Only

## Comments:

As there is no benefit to recreational marijuana, there can only be negative effects. The end results are the dumbing down of normally sharp, intelligent people, making ambitious youth unmotivated and lazy. It does not serve toward the betterment of people. Only harm can be made by filling one's lungs with unfiltered smoke, let alone smoke with mind altering substances. The very term "recreational" implies a healthy, wholesome, beneficial passtime that is creative, harmless to self and others, and enjoyable without the use of drugs. Furthermore, regulation is impossible and there are no guarantees that other more harmful substances would not be added, causing injury or death as a consequence of legalizing marijuana, calling it recreational. WHY would anybody representing the welfare of their constituents find it of any importance or even necessary to legislate such a thing??? Unless, of course, you are representing special interest groups??? Concern yourselves with more pressing matters. Are you not public servants? Perhaps you would want this for your private school educated scholar to engage in this recreation, playing Russian roulette with marijuana that may be laced with worse substances? Beside, it IS a gateway drug.

Submitted on: 3/9/2024 10:24:58 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Carm Akim	Individual	Oppose	Written Testimony Only

## Comments:

To our Honorable Legislators,

I am a registered nurse in an acute care facility in Honolulu. I have cared for both adults and teens who have used marijuana and experienced its effects like intractable vomiting and, at worse, violent behaviors and suicidal ideations. I have seen teens who were perfectly healthy and wanted to end their lives because they consumed or smoked marijuana a few weeks prior to coming in. They were rushed to the ED, hallucinating, vomiting, and nauseous, a threat to themselves. I feel so much compassion for these adolescents who just want to fit in but made a poor choice of smoking marijuana.

Still heartbroken, I have family members and friends who I lost to suicide, unable to cope with addiction. They all started smoking pakalolo as a teen. Let science and evidence-based research tell you the outcomes.

Please, as a frontline healthcare provider, we are already burdened as a system and as a profession. Please do not add to our work by making Marijuana legal in our beloved state. Give our youth a better chance to live the rest of their life healthy and addiction-free. Please focus on legislating bills that will ensure services for Hawai'i's youth to prevent them from even touching these addictive substances. Let's prioritize their mental health and coping skills, acknowledging that the challenges of their generation are way different than they were just a decade ago. Let's not patch them up with drugs.

Me ka'oia'i'o,

Carm Celine Akim, RN BSN, MSN, WCC

Submitted on: 3/9/2024 11:06:51 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Mona Madeira	Individual	Oppose	Written Testimony Only

## Comments:

## VOTE NO ON SB 3335 SD2

Please vote no to save our people. I have worked as a certified substance abuse counselor for over 20 years and witnessed the devastation. There is no such thing as recreational use, they develop a tolerance and it progresses to chronic use and causes physiological and psychological dependence. I have witnessed this with my own family. When withdrawing it is so unpleasant that the person is unable to sleep or eat without use; anxiety, depression and suicidal ideations which reinforces the urge to continue smoking marijuana.

Submitted on: 3/9/2024 11:32:28 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Donald stenson	Individual	Oppose	Written Testimony Only

## Comments:

## I oppose SB3335.

The Massachusetts cannabis regulatory framework, the first state to develop a Social Equity program, has failed in its endeavors. A pattern emerges in cannabis legislation where those who create the regulations do not seek counsel from the industry they intend to regulate. They seek counsel from regulators who congratulate themselves on their successes but hide the dysfunction, drama, low morale, and inefficiency of the policies they enforce until the legislature must return to revise bills. The wasted tax dollars implementing Massachusetts rules that neither protect the public nor reduce the black market are uncountable.

The cannabis industry in Hawaii is alive and well, as the legacy market is efficient, experienced, and responsive to supply and demand. Bill SB3335 is responding to the wishes of the Hawaii Attorney General and law enforcement agencies, who still need to reduce the unregulated industry year after year.

The bill outlines its potential failings but does not address why the policies have failed; "Legalization is also not a panacea for eliminating the illicit market in cannabis, as the experience of other states is that the illegal market continues to exist in parallel to the legal, regulated market.

In addition, there are practical difficulties in identifying individuals who may be impaired by cannabis while driving, including the lack of a cannabis analog for a breathalyzer for alcohol." Massachusetts has failed to eliminate the black market because it has over-burdensome regulations that don't consider the natural consequence of creating a high bar to licensure. The small businesses, legacy growers, and sellers who cannot acquire the 1.5-million-dollar war chest to open a facility will continue to supply consumers who do not want to pay the high prices of indebted companies. This is the law of supply and demand. Making it more challenging to open will make the Attorney General sleep better. Still, it will only bolster the black market and drain law-enforcement dollars better suited to the opiate epidemic and stop drunk drivers.

Data shows THC levels are not correlated with driving impairment.1 Every state that legalizes fears the stoned-driving menace... which never materializes. Grants to educate law enforcement is a positive approach, but ask any law enforcement authority which controlled substance kills the most motorists in marijuana-legal states. Focusing on stoned driving is an emotional approach, not a data-driven one.

The Massachusetts Cannabis Control Commission has skilled inspectors who are instrumental in industry compliance but look to the turnover rate of the Commissioners themselves for evidence that their role is unnecessary and dysfunctional. No member of the original commission remains, and none have had first-hand experience in the industry- as inspectors, licensing agents, or industry workers. Because they are separated from the industry and hand-tied in chipping away

at bloated bureaucracy, the black market continues, the regulated market favors Big Marijuana and local 'ma and pa' businesses fail. I encourage you to look to regulatory models in Vermont and Maine, where industry profits stay local, black markets are squelched out by the plethora of local, small businesses, and Big Marijuana has little incentive to suck profits to their distant shareholders. Additionally, seeking to understand how an industry is regulated by learning only from other regulators who created rules based on zero experience with how a cultivator might scale up a farm or how consumers prefer to acquire products also bolsters the black market. Seek out testimony from caregivers and consumers in Hawaii and other states. If you want to perpetuate the disconnect between governments and the cannabis industry and support the black market, make the bar to entry high. If you are ready to acknowledge that cannabis is as ubiquitous but less harmful than alcohol, then look to your alcohol regulations and create an industry where diversity and local profits are the norm.

I also recommend that the state review SB2619, which has been hand-delivered to many legislators but did not receive a hearing. The state must reinvent its medical cannabis program with fair regulations. The current dispensary system is a monopoly and has failed the medical patients of Hawaii. The state making the dispensaries an uncontrolled for-profit model has allowed the owners of these dispensaries to charge unfair prices and force those who cannot afford medicine to be without or go to the black market.

Thank you, Don Stenson.

Submitted on: 3/9/2024 11:37:34 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Jacqueline S. Ambrose	Individual	Support	Written Testimony Only

## Comments:

Aloha,

Yes to establishing the Hawaii Hemp and Cannabis Authority and Hemp and Cannabis Control Board within the Department of Commerce and Consumer Affairs to regulate all aspects of the cannabis plant.

Establishes the Hemp and Cannabis Control Implementation Advisory Committee. Beginning January 1, 2026, legalizes the personal adult use of cannabis. Establishes taxes for adult-use cannabis and medical use cannabis sales. Transfers the personnel and assets of the Department of Health and assets of the Department of Agriculture relating to cannabis to the Hawaii Hemp and Cannabis Authority. Declares that the general fund expenditure ceiling is exceeded. Makes appropriations.

<u>SB-3335-SD-2</u> Submitted on: 3/9/2024 12:13:42 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Kevin Martin	Individual	Oppose	Written Testimony Only

# Comments:

Empower local growers, this is BS.

Submitted on: 3/9/2024 12:39:05 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Brett Kulbis	Individual	Oppose	Written Testimony Only

# Comments:

# I STRONGLY OPPOSE.

Marijuana abuse WILL increase if it is made legal. Hawaii's keiki will be the ones who will suffer the most. Hawaii already has a higher-than-average youth usage of e-cigarettes. It is irresponsible to think they will **NOT** access marijuana.

<u>SB-3335-SD-2</u> Submitted on: 3/9/2024 12:42:35 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Ken kasik	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill

Submitted on: 3/9/2024 1:35:26 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Michael EKM Olderr	Individual	Support	Written Testimony Only

## Comments:

I support this bill, with comments that the records of those who were previously arrested for possession or distribution of cannabis be pardoned and/or have their records expunged. That aside, this bill is so common sense I wonder why some are acting like it's 1993 and marijuana will somehow lead to death, crime, or opening the door for harder drugs. The racial origins of that aside, this cannot be further from the truth. We have seen the health benefits that cannabis provides. Though there are problems with prolonged use, it's no less harmful than smoking tobacco or drinking wine. Speaking of the two, marijuana is the easiest drug to quit because it is naturally not addictive (though addiction is a disease and can latch onto anything, cannabis itself doesn't contribute to it). Some argue that this will harm the keiki, but I will say that no, it won't, not any more than it already has. This would still make it illegal to sell marijuana to people under the same age. It won't be any harder for kids to get weed than for them to get alcohol or cigarettes. And if they do get their hands on it, it would be much safer weed than from 20-30 years ago because they will be tested, legitimized, and not be mixed in with other substances like fentanyl. Plus, this will dry up the illegal drug market because now there would be a legitimate place to get cannabis. I can go on and on about other benefits like state taxes, boosting agriculture, health benefits, and so forth, but that's been done to death already. This discussion was had and solved years ago: Cannabis is safe, and the war on drugs is a failure. Let's stop dragging our feet on this outdated discussion and legalize this once and for all.

<u>SB-3335-SD-2</u> Submitted on: 3/9/2024 1:35:36 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Patti Yasuhara	Individual	Oppose	Written Testimony Only

Comments:

NO TO RECREATIONAL MARIJUANA

Submitted on: 3/9/2024 2:34:02 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Diane Y Omura	Individual	Oppose	Written Testimony Only

## Comments:

I am a retired teacher from Maui who has seen the effects of marijuana on teens. I am against recreational marijuana for several reasons. It is especially harmful for the developing brain and will impair judgment. Bright students will be sidetracked and derailed from successful outcomes. There will be more unmotivated, depressed students leading to suicides, impaired driving leading to injury and deaths on the road. Please reject this detrimental bill!

Submitted on: 3/9/2024 2:42:54 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Rachel Robinson	Individual	Oppose	Written Testimony Only

## Comments:

I strongly oppose this bill that would legalize recreational marijuana.

First, what guardrails will be in place to ensure that the people struggling with COPD, emphysema, asthma, and other respiratory illnesses are protected from those who have no sensitivity nor regard for others?

Second, what protections will be in place for children?

Third, even without it being legalized, it's already being used by those of legal age AND minors.

Can you not see that this is dangerous all the way around? The floodgates will be opened to all sort of questionable elements who will fly to Hawai'i as soon as pot becomes legal.

First, it started with same sex marriage. Then it continues that abortion is legalized. And what...now marijuana becomes legalized?

Where will the craziness end??? When will you legislators, who are elected public servants of the people actually do what's good FOR the people and stop bowing and kowtowing to other people's agendas that will only cause ruination?

As if Maui is not already experiencing higher levels of alcoholism and drug use and domestic abuse since the fires, now you legislators who only think and dream in green and think nothing about the consequences nor the people, would ruin the native people.

This is not right. 'A'ole no ho'i kūpono kēia!!

<u>SB-3335-SD-2</u> Submitted on: 3/9/2024 3:04:04 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Shawnnell Alonso	Individual	Oppose	Written Testimony Only

# Comments:

I oppose this bill, I do not support this bill.

Submitted on: 3/9/2024 6:21:19 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	<b>Testify</b>
Tom Maher	Individual	Oppose	Written Testimony Only

Comments:

View this email in your browser



https://www.capitol.hawaii.gov/session/measure\_indiv.aspx?billtype=SB&billnumber=3335&year=2024

We keep fighting. Please oppose this bill. You may cut and paste testimony with your name. Aloha. Buddy J

# I oppose SB3335.

The Massachusetts cannabis regulatory framework, the first state to develop a Social Equity program, has failed in its endeavors. A pattern emerges in cannabis legislation where those who create the regulations do not seek counsel from the industry they intend to regulate. They seek counsel from regulators who congratulate themselves on their successes but hide the dysfunction, drama, low morale, and inefficiency of the policies they enforce until the legislature must return to revise bills. The wasted tax dollars implementing Massachusetts rules that neither protect the public nor reduce the black market are uncountable.

The cannabis industry in Hawaii is alive and well, as the legacy market is efficient, experienced, and responsive to supply and demand. Bill SB3335 is responding to the wishes of the Hawaii Attorney General and law enforcement agencies, who still need to reduce the unregulated industry year after year. The bill outlines its potential failings but does not address why the policies have failed; "Legalization is also not a panacea for eliminating the illicit market in cannabis, as the experience of other states is that the illegal market continues to exist in parallel to the legal, regulated market.

In addition, there are practical difficulties in identifying individuals who may be impaired by cannabis

while driving, including the lack of a cannabis analog for a breathalyzer for alcohol." Massachusetts has failed to eliminate the black market because it has over-burdensome regulations that don't consider the natural consequence of creating a high bar to licensure. The small businesses, legacy growers, and sellers who cannot acquire the 1.5-million-dollar war chest to open a facility will continue to supply consumers who do not want to pay the high prices of indebted companies. This is the law of supply and demand. Making it more challenging to open will make the Attorney General sleep better. Still, it will only bolster the black market and drain law-enforcement dollars better suited to the opiate epidemic and stop drunk drivers.

Data shows THC levels are not correlated with driving impairment.1 Every state that legalizes fears the stoned-driving menace... which never materializes. Grants to educate law enforcement is a positive approach, but ask any law enforcement authority which controlled substance kills the most motorists in marijuana-legal states. Focusing on stoned driving is an emotional approach, not a data-driven one. The Massachusetts Cannabis Control Commission has skilled inspectors who are instrumental in industry compliance but look to the turnover rate of the Commissioners themselves for evidence that their role is unnecessary and dysfunctional. No member of the original commission remains, and none have had first-hand experience in the industry- as inspectors, licensing agents, or industry workers. Because they are separated from the industry and hand-tied in chipping away at bloated bureaucracy, the black market continues, the regulated market favors Big Marijuana and local 'ma and pa' businesses fail. I encourage you to look to regulatory models in Vermont and Maine, where industry profits stay local, black markets are squelched out by the plethora of local, small businesses, and Big Marijuana has little incentive to suck profits to their distant shareholders. Additionally, seeking to understand how an industry is regulated by learning only from other regulators who created rules based on zero experience with how a cultivator might scale up a farm or how consumers prefer to acquire products also bolsters the black market. Seek out testimony from caregivers and consumers in Hawaii and other states. If you want to perpetuate the disconnect between governments and the cannabis industry and support the black market, make the bar to entry high. If you are ready to acknowledge that cannabis is as ubiquitous but less harmful than alcohol, then look to your alcohol regulations and create an industry where diversity and local profits are the norm.

I also recommend that the state review SB2619, which has been hand-delivered to many legislators but did not receive a hearing. The state must reinvent its medical cannabis program with fair regulations. The current dispensary system is a monopoly and has failed the medical patients of Hawaii. The state making the dispensaries an uncontrolled for-profit model has allowed the owners of these dispensaries to charge unfair prices and force those who cannot afford medicine to be without or go to the black market.

Thank you,

**TPM** 

<u>SB-3335-SD-2</u> Submitted on: 3/9/2024 6:22:14 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Lorraine Martinez	Individual	Oppose	Written Testimony Only

Comments:

I oppose this crazy bill

<u>SB-3335-SD-2</u> Submitted on: 3/9/2024 6:24:22 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Dolores Martinez	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill

Submitted on: 3/9/2024 6:36:18 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Michal C Cohen	Individual	Oppose	Written Testimony Only

## Comments:

## I oppose SB3335.

The Massachusetts cannabis regulatory framework, the first state to develop a Social Equity program, has failed in its endeavors. A pattern emerges in cannabis legislation where those who create the regulations do not seek counsel from the industry they intend to regulate. They seek counsel from regulators who congratulate themselves on their successes but hide the dysfunction, drama, low morale, and inefficiency of the policies they enforce until the legislature must return to revise bills. The wasted tax dollars implementing Massachusetts rules that neither protect the public nor reduce the black market are uncountable.

The cannabis industry in Hawaii is alive and well, as the legacy market is efficient, experienced, and responsive to supply and demand. Bill SB3335 is responding to the wishes of the Hawaii Attorney General and law enforcement agencies, who still need to reduce the unregulated industry year after year.

The bill outlines its potential failings but does not address why the policies have failed; "Legalization is also not a panacea for eliminating the illicit market in cannabis, as the experience of other states is that the illegal market continues to exist in parallel to the legal, regulated market.

In addition, there are practical difficulties in identifying individuals who may be impaired by cannabis while driving, including the lack of a cannabis analog for a breathalyzer for alcohol." Massachusetts has failed to eliminate the black market because it has over-burdensome regulations that don't consider the natural consequence of creating a high bar to licensure. The small businesses, legacy growers, and sellers who cannot acquire the 1.5-million-dollar war chest to open a facility will continue to supply consumers who do not want to pay the high prices of indebted companies. This is the law of supply and demand. Making it more challenging to open will make the Attorney General sleep better. Still, it will only bolster the black market and drain law-enforcement dollars better suited to the opiate epidemic and stop drunk drivers.

Data shows THC levels are not correlated with driving impairment.1 Every state that legalizes fears the stoned-driving menace... which never materializes. Grants to educate law enforcement is a positive approach, but ask any law enforcement authority which controlled substance kills the most motorists in marijuana-legal states. Focusing on stoned driving is an emotional approach, not a data-driven one.

The Massachusetts Cannabis Control Commission has skilled inspectors who are instrumental in industry compliance but look to the turnover rate of the Commissioners themselves for evidence that their role is unnecessary and dysfunctional. No member of the original commission remains, and none have had first-hand experience in the industry- as inspectors, licensing agents, or

industry workers. Because they are separated from the industry and hand-tied in chipping away at bloated bureaucracy, the black market continues, the regulated market favors Big Marijuana and local 'ma and pa' businesses fail. I encourage you to look to regulatory models in Vermont and Maine, where industry profits stay local, black markets are squelched out by the plethora of local, small businesses, and Big Marijuana has little incentive to suck profits to their distant shareholders. Additionally, seeking to understand how an industry is regulated by learning only from other regulators who created rules based on zero experience with how a cultivator might scale up a farm or how consumers prefer to acquire products also bolsters the black market. Seek out testimony from caregivers and consumers in Hawaii and other states. If you want to perpetuate the disconnect between governments and the cannabis industry and support the black market, make the bar to entry high. If you are ready to acknowledge that cannabis is as ubiquitous but less harmful than alcohol, then look to your alcohol regulations and create an industry where diversity and local profits are the norm.

I also recommend that the state review SB2619, which has been hand-delivered to many legislators but did not receive a hearing. The state must reinvent its medical cannabis program with fair regulations. The current dispensary system is a monopoly and has failed the medical patients of Hawaii. The state making the dispensaries an uncontrolled for-profit model has allowed the owners of these dispensaries to charge unfair prices and force those who cannot afford medicine to be without or go to the black market.

Thank you, Michal Cohen

Submitted on: 3/9/2024 7:28:50 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Stephanie Schlink	Individual	Oppose	Written Testimony Only

## Comments:

The Massachusetts cannabis regulatory framework, the first state to develop a Social Equity program, has failed in its endeavors. A pattern emerges in cannabis legislation where those who create the regulations do not seek counsel from the industry they intend to regulate. They seek counsel from regulators who congratulate themselves on their successes but hide the dysfunction, drama, low morale, and inefficiency of the policies they enforce until the legislature must return to revise bills. The wasted tax dollars implementing Massachusetts rules that neither protect the public nor reduce the black market are uncountable.

The cannabis industry in Hawaii is alive and well, as the legacy market is efficient, experienced, and responsive to supply and demand. Bill SB3335 is responding to the wishes of the Hawaii Attorney General and law enforcement agencies, who still need to reduce the unregulated industry year after year.

The bill outlines its potential failings but does not address why the policies have failed; "Legalization is also not a panacea for eliminating the illicit market in cannabis, as the experience of other states is that the illegal market continues to exist in parallel to the legal, regulated market.

In addition, there are practical difficulties in identifying individuals who may be impaired by cannabis while driving, including the lack of a cannabis analog for a breathalyzer for alcohol." Massachusetts has failed to eliminate the black market because it has over-burdensome regulations that don't consider the natural consequence of creating a high bar to licensure. The small businesses, legacy growers, and sellers who cannot acquire the 1.5-million-dollar war chest to open a facility will continue to supply consumers who do not want to pay the high prices of indebted companies. This is the law of supply and demand. Making it more challenging to open will make the Attorney General sleep better. Still, it will only bolster the black market and drain law-enforcement dollars better suited to the opiate epidemic and stop drunk drivers.

Data shows THC levels are not correlated with driving impairment.1 Every state that legalizes fears the stoned-driving menace... which never materializes. Grants to educate law enforcement is a positive approach, but ask any law enforcement authority which controlled substance kills the most motorists in marijuana-legal states. Focusing on stoned driving is an emotional approach, not a data-driven one.

The Massachusetts Cannabis Control Commission has skilled inspectors who are instrumental in industry compliance but look to the turnover rate of the Commissioners themselves for evidence that their role is unnecessary and dysfunctional. No member of the original commission remains, and none have had first-hand experience in the industry- as inspectors, licensing agents, or industry workers. Because they are separated from the industry and hand-tied in chipping away at bloated bureaucracy, the black market continues, the regulated market favors Big Marijuana

and local 'ma and pa' businesses fail. I encourage you to look to regulatory models in Vermont and Maine, where industry profits stay local, black markets are squelched out by the plethora of local, small businesses, and Big Marijuana has little incentive to suck profits to their distant shareholders. Additionally, seeking to understand how an industry is regulated by learning only from other regulators who created rules based on zero experience with how a cultivator might scale up a farm or how consumers prefer to acquire products also bolsters the black market. Seek out testimony from caregivers and consumers in Hawaii and other states. If you want to perpetuate the disconnect between governments and the cannabis industry and support the black market, make the bar to entry high. If you are ready to acknowledge that cannabis is as ubiquitous but less harmful than alcohol, then look to your alcohol regulations and create an industry where diversity and local profits are the norm.

I also recommend that the state review SB2619, which has been hand-delivered to many legislators but did not receive a hearing. The state must reinvent its medical cannabis program with fair regulations. The current dispensary system is a monopoly and has failed the medical patients of Hawaii. The state making the dispensaries an uncontrolled for-profit model has allowed the owners of these dispensaries to charge unfair prices and force those who cannot afford medicine to be without or go to the black market. I will not support anyone who votes for this bill.

Thank you, Stephanie Schlink

Submitted on: 3/9/2024 8:05:31 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Leane Kaneko	Individual	Oppose	Written Testimony Only

# Comments:

# NO TO RECREATIONAL MARIJUANA

Marijuana use WILL increase if it is made available. Hawaii's keiki will be the ones who will suffer the most.

Submitted on: 3/9/2024 8:58:59 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Carly Lobitos	Individual	Oppose	Written Testimony Only

## Comments:

# I oppose SB3335.

The Massachusetts cannabis regulatory framework, the first state to develop a Social Equity program, has failed in its endeavors. A pattern emerges in cannabis legislation where those who create the regulations do not seek counsel from the industry they intend to regulate. They seek counsel from regulators who congratulate themselves on their successes but hide the dysfunction, drama, low morale, and inefficiency of the policies they enforce until the legislature must return to revise bills. The wasted tax dollars implementing Massachusetts rules that neither protect the public nor reduce the black market are uncountable.

The cannabis industry in Hawaii is alive and well, as the legacy market is efficient, experienced, and responsive to supply and demand. Bill SB3335 is responding to the wishes of the Hawaii Attorney General and law enforcement agencies, who still need to reduce the unregulated industry year after year.

The bill outlines its potential failings but does not address why the policies have failed; "Legalization is also not a panacea for eliminating the illicit market in cannabis, as the experience of other states is that the illegal market continues to exist in parallel to the legal, regulated market.

In addition, there are practical difficulties in identifying individuals who may be impaired by cannabis while driving, including the lack of a cannabis analog for a breathalyzer for alcohol." Massachusetts has failed to eliminate the black market because it has over-burdensome regulations that don't consider the natural consequence of creating a high bar to licensure. The small businesses, legacy growers, and sellers who cannot acquire the 1.5-million-dollar war chest to open a facility will continue to supply consumers who do not want to pay the high prices of indebted companies. This is the law of supply and demand. Making it more challenging to open will make the Attorney General sleep better. Still, it will only bolster the black market and drain law-enforcement dollars better suited to the opiate epidemic and stop drunk drivers.

Data shows THC levels are not correlated with driving impairment.1 Every state that legalizes fears the stoned-driving menace... which never materializes. Grants to educate law enforcement is a positive approach, but ask any law enforcement authority which controlled substance kills the most motorists in marijuana-legal states. Focusing on stoned driving is an emotional approach, not a data-driven one.

The Massachusetts Cannabis Control Commission has skilled inspectors who are instrumental in industry compliance but look to the turnover rate of the Commissioners themselves for evidence that their role is unnecessary and dysfunctional. No member of the original commission remains, and none have had first-hand experience in the industry- as inspectors, licensing agents, or industry workers. Because they are separated from the industry and hand-tied in chipping away

at bloated bureaucracy, the black market continues, the regulated market favors Big Marijuana and local 'ma and pa' businesses fail. I encourage you to look to regulatory models in Vermont and Maine, where industry profits stay local, black markets are squelched out by the plethora of local, small businesses, and Big Marijuana has little incentive to suck profits to their distant shareholders. Additionally, seeking to understand how an industry is regulated by learning only from other regulators who created rules based on zero experience with how a cultivator might scale up a farm or how consumers prefer to acquire products also bolsters the black market. Seek out testimony from caregivers and consumers in Hawaii and other states. If you want to perpetuate the disconnect between governments and the cannabis industry and support the black market, make the bar to entry high. If you are ready to acknowledge that cannabis is as ubiquitous but less harmful than alcohol, then look to your alcohol regulations and create an industry where diversity and local profits are the norm.

I also recommend that the state review SB2619, which has been hand-delivered to many legislators but did not receive a hearing. The state must reinvent its medical cannabis program with fair regulations. The current dispensary system is a monopoly and has failed the medical patients of Hawaii. The state making the dispensaries an uncontrolled for-profit model has allowed the owners of these dispensaries to charge unfair prices and force those who cannot afford medicine to be without or go to the black market.

Thank you

Submitted on: 3/10/2024 7:05:51 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Jacqui skill	Individual	Comments	Written Testimony Only

## Comments:

"Aloha, my name is Jacqui and I live in Honokawai I'm testifying in strong support of HB1595, the Cannabis Expungement Act. Nearly 50,000 people in Hawai'i are living with a cannabis possession-related criminal record; that means 50,000 people facing barriers to safe housing, employment, education, and access to financial and credit services. With the Cannabis Expungement Act, we're righting the wrongs of the failed War on Drugs and since Act 273 was passed in 2019 which decriminalized the possession of three grams or less of cannabis, it only makes sense to clear people's records. Please support HB1595. Mahalo for your time and consideration."

Submitted on: 3/10/2024 7:28:31 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Ezra Levinson	Individual	Comments	Written Testimony Only

## Comments:

My name is Ezra Levinson and I am a resident of Kailua. Senators, I strongly believe Hawaii should join 23 other states in legalizing cannabis. However, it is critical that these efforts prioritize racial justice and equity as a means to address the harms of the War on Drugs and its impact on Native Hawaiians and other communities of color.

We should invest tax revenues from cannabis into proven solutions that help make our communities better and safer: harm reduction, crisis outreach, food banks, mental health support, homeless outreach, outpatient treatment, and housing assistance. We should NOT invest them into policing or law enforcement.

We should ensure that revenue from cannabis businesses stays as local as possible, and that people who have been criminalized for their cannabis use are able to participate in what will be a new and lucrative sector of the economy.

We should address the harm of the failed War on Drugs, forgiving debts and expunging convictions related to the criminalization of cannabis.

Thank you for your consideration of these comments. **I urge amendment of SB3335** to reflect the above.

Ezra Levinson, 96734

<u>SB-3335-SD-2</u> Submitted on: 3/10/2024 7:28:32 AM Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Taryn Murray mccaig	Individual	Oppose	Written Testimony Only

Comments:

Oppose

Submitted on: 3/10/2024 8:04:27 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Taylor McKenzie	Individual	Support	Written Testimony Only

## Comments:

Aloha, my name is TK McKenzie and I live in Kailua, O'ahu. I'm testifying in **strong support** for SB3335 SD2. I believe Hawai'i should join 23 states in legalizing cannabis. Any legalization efforts should prioritize racial justice and equity in reform efforts in order to address the harms that cannabis laws have inflicted upon Native Hawaiians and communities of color.

SB3335 Relating to Cannabis, needs to reinvest cannabis revenue into community safety, not in law enforcement. We should invest cannabis tax revenues into proven solutions that help build safer communities such as programs that focus on harm reduction, crisis outreach, food banks, mental health support, homeless outreach, outpatient treatment, and housing assistance.

SB3335 should ensure local ownership. People who have been harmed by the enforcement of cannabis must have a place in the burgeoning marketplace created by legalization.

SB3335 should remedy the harm caused by the failed War on Drugs. Any outstanding debts for cannabis fines and fees should be forgiven. People with a cannabis conviction on their record should be able to fully re-integrate into society by accessing the same rights and services as anybody else.

Mahalo for your time and consideration.

Submitted on: 3/10/2024 9:18:55 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Marilyn Mick	Individual	Support	Written Testimony Only

## Comments:

Aloha,

I'm testifying [with comments/in support] on SB3335 SD2. I believe Hawai'i should join 23 states in legalizing cannabis. Any legalization efforts should prioritize racial justice and equity in reform efforts in order to address the harms that cannabis laws have inflicted upon Native Hawaiians and communities of color.

SB3335 Relating to Cannabis, needs to reinvest cannabis revenue into community safety, not in law enforcement. We should invest cannabis tax revenues into proven solutions that help build safer communities such as programs that focus on harm reduction, crisis outreach, food banks, mental health support, homeless outreach, outpatient treatment, and housing assistance.

SB3335 should ensure local ownership. People who have been harmed by the enforcement of cannabis must have a place in the burgeoning marketplace created by legalization.

SB3335 should remedy the harm caused by the failed War on Drugs. Any outstanding debts for cannabis fines and fees should be forgiven. People with a cannabis conviction on their record should be able to fully re-integrate into society by accessing the same rights and services as anybody else.

Mahalo for your time and consideration.

Marilyn Mick, Honolulu

<u>SB-3335-SD-2</u> Submitted on: 3/10/2024 9:46:26 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Pi'iali'i Lawson	Individual	Oppose	Written Testimony Only

Comments:

I oppose sb3335.

Submitted on: 3/10/2024 9:51:30 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Saturnino Doctor	Individual	Support	Written Testimony Only

## Comments:

Aloha Hawaii Legislators,

Please vote Yes on this SB3335 bill to support the legalization of Cannabis. Many other States have successfully passed similar bill and it's time for Hawaii to benefit from making this happen.

Mahalo,

Saturnino Doctor

Submitted on: 3/10/2024 11:01:24 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Will Caron	Individual	Comments	Written Testimony Only

#### Comments:

Aloha committee members,

I support the overall push to legalize cannabis. It is a substance that is over 100 times less dangerous than alcohol, with beneficial effects for many people when consumed responsibly. Legalization also brings with it taxation, likely generating potentially hundreds of millions of dollars in new revenue each year, based on what other states have experienced after legalization. Legalization also provides craft growers the opportunity to create legitimate businesses with legitimate supply and distribution systems that will reduce hard criminal activity. And with regulations at commercial distribution points, rates of under-age cannabis use could actually decline under a legal system.

That being said, I share the concerns that many advocates have been sharing with the Senate committees that have heard this bill, that it does not do nearly enough to undo the harm that criminalization has done to people and communities. Another way in which legalization should reduce crime is by eliminating petty offenses—but previous versions of this bill have included new offenses to punish people with. The bill also does not go far enough in proactively eliminating criminal records for offenses that would no longer be crimes should this bill pass. Nor does it go far enough in providing restorative investments in the communities of color that data shows have been disproportionately impacted and targeted by the failed War on Drugs and policing more generally.

The House committees hearing this bill should take the necessary steps to amend this bill so that it aligns with the recommendations coming from advocates such as the ACLU of Hawai'i, Drug Policy Forum and the Hawai'i Alliance for Cannabis Reform to turn this bill into a vehicle for a progressive, proactive and workable new adult-use cannabis industry that funds restorative investments to undo past harm, science- and evidence-based public education around drug use and other important needs of the state.

Mahalo for the opportunity to offer comments.

Submitted on: 3/10/2024 11:18:44 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Tadia Rice	Individual	Support	Written Testimony Only

#### Comments:

My name is Muhtadia Rice and I live in Kailua. I'm testifying in support of SB3335 SD2 that legalizes cannabis in Hawai'i. Despite the fact that I am not a user I believer that any and all legalization efforts should prioritize racial justice and equity in reform efforts to address the harms that cannabis laws have inflicted upon Native Hawaiians and communities of color.

SB3335 Relating to Cannabis will help reinvest cannabis revenue into community safety because cannabis tax revenues have provided proven solutions that help build safer communities, such as programs that focus on harm reduction, crisis outreach, food banks, mental health support, homeless outreach, outpatient treatment, and housing assistance.

SB3335 should ensure local ownership because local people should have a place in the burgeoning marketplace created by legalization.

SB3335 should remedy the harm caused by the failed War on Drugs. Any outstanding debts for cannabis fines and fees should be forgiven. People with a cannabis conviction on their record should be able to fully re-integrate into society by accessing the same rights and services as anybody else.

Cannabis prohibition and its racist enforcement has inflicted harm against Hawai'i communities for decades. It will take supporters like you to ensure legalization efforts are rooted in justice. Hawaii should be front and foremost in this effort. 23 US states are already ahead of us in legalizing cannabis, with more continuing to join this effort.

Mahalo for your time and consideration.

Submitted on: 3/10/2024 11:35:41 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Carolyn Eaton	Individual	Support	Written Testimony Only

## Comments:

Aloha Chairs Tarnas and Gates, Vice Chairs Takayama and Kahaloa and members of the Committees,

My name is Carolyn Eaton and I am a resident of Honolulu. I stand in strong support of cannabis legalization, but as put forward in SB3335, SD2, the approach is punative, creating severe criminal consequences for technical violations. Also, as written, it sees the use of new income deriving from the legal sale of cannabis for police funding, rather than for reinvestment in community safety programs. I prefer the new income fund State programs to uplift those who have suffered during the decades-long war on drugs, especially Native Hawaiians and communities of color.

Mahalo for bringing to fruition efforts to legalize cannabis for recreational use in the State, and doing so without police buildup, but with the anticipated boost in revenue from legal sale going to strengthen community support.

## Opposed to SB3335 SD2 & HB 2600

Honored Legislators,

As a retired, Nationally Certified School Psychologist and State of Hawaii Teacher with 15 years of experience working on District Diagnostic Teams diagnosing the causes of learning problems, and 20 years teaching and remediating learning problems, I opposed the legalization of cannabis for non-medicinal personal use in young adults. The assertion in SB3335 that "the legalization of cannabis for personal use is a natural, logical, and reasonable outgrowth of the current science of...cannabis" is FALSE. Although a person is an adult legally at age 18 in Hawaii, and at 21 in other states, the science of brain development shows the brain does not fully mature until age 25. It is NOT natural, or logical, to give our youth under the age of 25 legal access to the drug cannabis when their brain is still developing. Research from Addiction and Mental Health Associate Professor Ian Hamilton, at the University of York, and Elizabeth Hughes Professor of Mental Health and the University of Leeds conclude that "Current evidence shows [cannabis] may temporarily alter or distort short-term memory processing. This seems to be caused by compounds in cannabis that disrupt neural signaling when binding to receptors responsible for memory in the brain. Interrupted shortterm memory can indeed impact on learning, and may also cause loss of interest or problems with concentration. Research shows that young, frequent users of cannabis have thinner temporal and frontal cortices, which are both areas that help process memory functioning. Memory is a critical aid to learning and study – but cannabis doesn't just effect memory, it can also reduce motivation to learn. [The Conversation, July 15, 2020] These researcher's findings are consistent with my diagnostic and personal experience with students who frequently used marijuana recreationally.

Let's not balance the budget on the brains of Hawaii's youth, using the legalization of a drug to make up for Lahaina fire budgetary challenges. Hawaii already has more than enough unmotivated youth who can't remember things, and are unable to effectively enter the workforce.

Sincerely,

Mary S. Tubbs, M.Ed. Nationally Certified School Psychologist, Retired Hawaii State Teacher's Association

Submitted on: 3/10/2024 12:13:20 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Colleen Rost-Banik	Individual	Comments	Written Testimony Only

## Comments:

Aloha,

My name is Colleen Rost-Banik and I live in Honolulu. I'm testifying with comments on SB3335 SD2. I believe Hawai'i should join 23 states in legalizing cannabis. Any legalization efforts should prioritize racial justice and equity in reform efforts in order to address the harms that cannabis laws have inflicted upon Native Hawaiians and communities of color.

SB3335 Relating to Cannabis, needs to reinvest cannabis revenue into community safety, not in law enforcement. We should invest cannabis tax revenues into proven solutions that help build safer communities such as programs that focus on harm reduction, crisis outreach, food banks, mental health support, homeless outreach, outpatient treatment, and housing assistance.

SB3335 should ensure local ownership. People who have been harmed by the enforcement of cannabis must have a place in the burgeoning marketplace created by legalization.

SB3335 should remedy the harm caused by the failed War on Drugs. Any outstanding debts for cannabis fines and fees should be forgiven. People with a cannabis conviction on their record should be able to fully re-integrate into society by accessing the same rights and services as anybody else. Mahalo for your time and consideration.

Sincerely,

Colleen Rost-Banik

Submitted on: 3/10/2024 12:17:37 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
ANDREW ISODA	Individual	Support	Written Testimony Only

## Comments:

Aloha, my name is Andrew Isoda and I live in Lahaina I'm testifying [with comments/in support] on SB3335 SD2. I believe Hawai'i should join 23 states in legalizing cannabis. Any legalization efforts should prioritize racial justice and equity in reform efforts in order to address the harms that cannabis laws have inflicted upon Native Hawaiians and communities of color.

SB3335 Relating to Cannabis, needs to reinvest cannabis revenue into community safety, not in law enforcement. We should invest cannabis tax revenues into proven solutions that help build safer communities such as programs that focus on harm reduction, crisis outreach, food banks, mental health support, homeless outreach, outpatient treatment, and housing assistance.

SB3335 should ensure local ownership. People who have been harmed by the enforcement of cannabis must have a place in the burgeoning marketplace created by legalization.

SB3335 should remedy the harm caused by the failed War on Drugs. Any outstanding debts for cannabis fines and fees should be forgiven. People with a cannabis conviction on their record should be able to fully re-integrate into society by accessing the same rights and services as anybody else. Mahalo for your time and consideration.

Andrew Isoda

Lahaina, Mau'i

<u>SB-3335-SD-2</u> Submitted on: 3/10/2024 12:48:08 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Emily Gale Moore	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill

Submitted on: 3/10/2024 12:49:57 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
E.L. Brown	Individual	Oppose	Written Testimony Only

#### Comments:

Recreational use cannabis opens up the public, our streets, our parks, our beaches, and even neighbors who deserve privacy and refuge in their own homes, to the negative effects of marijuana/cannabis ingestion, including not being able to avoid the nuisance & strong odor of it which permeates everything near it. Even if an adult neighbor smokes it on their own property, the non-smoker's "clean home" will be affected. If you don't believe this, talk to neighbors in Oregon and Washington who live in homes, or worse yet apartments that share a wall or floor with a recreational-use adult, about how their home lives have been disrupted. Cannabis is not like alcohol. Alcohol stays in the body. The strong marijuana/cannabis aroma travels in the air.

The same people in Oregon and Washington can speak about how recreational-use neighbors advertise and conduct "pot tours" that attract tourists for that reason alone. So, if the bill becomes law, what will Waikiki, Haleiwa, Hawi, and our other quaint towns with unique character, look like tomorrow if adults can legally consume cannabis if they want to? Will Hawaii-made and Hawaii-centric souvenirs and "welcome" signs in store windows, be replaced by cannabis shops with images of the marijuana/cannabis plant, symbols of weed, and people lighting up, in their store windows? Perhaps.

If you are part of a family that has not yet experienced the negative, addictive, generational effects that marijuana use by a single family member can have on the whole, this law will welcome you to that situation. It won't be long before your kids, and grandkids, will see smoking cannabis/ marijuana as a normal thing. And when the disease of addiction takes them over inevitably, they and the whole family will be trapped.

Submitted on: 3/10/2024 1:48:22 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Phil Robertson	Individual	Support	Written Testimony Only

## Comments:

I think if you compare Harry J. Anslinger's 1937 testimony to Congress when they made cannabis illegal to the conclusions of the 1944 LaGuardia Report by the New York Academy of Medicine, around 80 percent of the State of Hawaii will not believe Anslinger.

I do not think public monies should be spent giving criminal records to innocent pot-puffers based on lies perpetrated by people making money in the black market. Over the years, the black market in cannabis was one of the largest frauds I have ever seen or read about.

Thank you for the opportunity to testify.

Phil Robertson

Submitted on: 3/10/2024 1:29:07 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Oahu Resident	Individual	Oppose	Written Testimony Only

#### Comments:

I hereby express my dissent regarding Senate Bill 3335.

The regulatory apparatus established by the Commonwealth of Massachusetts for the oversight of cannabis has, regrettably, not achieved its intended objectives. It is a matter of concern that the architects of these regulations have not sought the wisdom of those within the cannabis industry. Instead, they have aligned with fellow regulators, who, while quick to extol their triumphs, have obfuscated the underlying dysfunction, internal discord, diminished morale, and inefficiency that necessitate legislative intervention for corrective measures. The fiscal profligacy attendant to the enforcement of these regulations, which neither safeguard the public interest nor mitigate the illicit market, is considerable.

In the State of Hawai'i, the cannabis industry flourishes, underpinned by an efficient, seasoned, and market-responsive legacy system. Senate Bill 3335, however, appears to be a response not to the exigencies of the industry but to the preferences of the Attorney General and law enforcement agencies, which have yet to demonstrate a significant reduction in the unregulated market.

The bill acknowledges its potential shortcomings but fails to interrogate the root causes of policy failure, stating: "Legalization is not a panacea for the eradication of the illicit cannabis market, as evidenced by the persistence of illegal operations alongside legal, regulated markets in other states."

Furthermore, the Commonwealth's inability to extinguish the black market is attributable to onerous regulations that disregard the inevitable consequences of setting an excessively high threshold for licensure. Small enterprises, traditional cultivators, and vendors, lacking the substantial capital—estimated at 1.5 million dollars—necessary to inaugurate a facility, will invariably continue to cater to consumers disinclined to bear the inflated costs imposed by debtladen entities. This is a manifestation of the fundamental economic principle of supply and demand. Intensifying licensure requirements may provide transient solace to the Attorney General but will only serve to fortify the black market and divert resources from more pressing public safety concerns, such as the opioid crisis and the prevention of impaired driving.

Empirical data does not substantiate a correlation between tetrahydrocannabinol (THC) levels and vehicular impairment. Despite apprehensions to the contrary, the anticipated peril of cannabis-impaired driving has not materialized in states that have enacted legalization. While

grants to enhance law enforcement education are commendable, it is imperative to consult authorities on the primary controlled substance implicated in motorist fatalities in states where cannabis is legal. A focus on cannabis-impaired driving, absent empirical support, is an emotive rather than evidence-based policy approach.

The Massachusetts Cannabis Control Commission boasts inspectors of considerable acumen, essential to ensuring industry compliance. Yet, the high turnover rate among the Commissioners themselves is indicative of an unnecessary and dysfunctional role. The departure of all original commission members, none of whom possessed direct industry experience, underscores a disconnect that perpetuates the black market, advantages large-scale cannabis enterprises, and precipitates the decline of local, family-operated businesses. It is advisable to consider the regulatory frameworks of Vermont and Maine, where industry profits are retained locally, the black market is effectively displaced by an abundance of small enterprises, and large cannabis corporations are disincentivized from extracting profits for remote shareholders. Moreover, an understanding of industry regulation predicated solely on the perspectives of regulators, devoid of practical experience, invariably strengthens the black market. It is essential to solicit insights from caregivers and consumers within Hawai'i and beyond. To persist in a high barrier to entry is to maintain a disconnect between government and the cannabis industry, thereby bolstering the black market. Conversely, an acknowledgment of the ubiquity and relative harmlessness of cannabis compared to alcohol should prompt a regulatory approach akin to that governing alcohol, fostering an industry characterized by diversity and local economic benefit.

I further recommend that the state legislature give due consideration to Senate Bill 2619, which, despite being presented to numerous legislators, was not accorded a hearing. It is incumbent upon the state to reevaluate its medical cannabis program and institute equitable regulations.

Submitted on: 3/10/2024 2:36:40 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Greg Misakian	Individual	Oppose	Written Testimony Only

## Comments:

I strongly oppose SB3335 SD2.

Just say no to drugs, and no to the supporters with dark money that really want to legalize cannabis.

This will only contribute to more crime, more vehicular accidents, and that constant smell of "weed" that I left San Francisco to get away from.

Greg Misakian

Submitted on: 3/10/2024 3:59:49 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Regina Lee Bray	Individual	Oppose	Written Testimony Only

## Comments:

## I oppose SB3335.

The Massachusetts cannabis regulatory framework, the first state to develop a Social Equity program, has failed in its endeavors. A pattern emerges in cannabis legislation where those who create the regulations do not seek counsel from the industry they intend to regulate. They seek counsel from regulators who congratulate themselves on their successes but hide the dysfunction, drama, low morale, and inefficiency of the policies they enforce until the legislature must return to revise bills. The wasted tax dollars implementing Massachusetts rules that neither protect the public nor reduce the black market are uncountable.

The cannabis industry in Hawaii is alive and well, as the legacy market is efficient, experienced, and responsive to supply and demand. Bill SB3335 is responding to the wishes of the Hawaii Attorney General and law enforcement agencies, who still need to reduce the unregulated industry year after year.

The bill outlines its potential failings but does not address why the policies have failed; "Legalization is also not a panacea for eliminating the illicit market in cannabis, as the experience of other states is that the illegal market continues to exist in parallel to the legal, regulated market.

In addition, there are practical difficulties in identifying individuals who may be impaired by cannabis while driving, including the lack of a cannabis analog for a breathalyzer for alcohol." Massachusetts has failed to eliminate the black market because it has over-burdensome regulations that don't consider the natural consequence of creating a high bar to licensure. The small businesses, legacy growers, and sellers who cannot acquire the 1.5-million-dollar war chest to open a facility will continue to supply consumers who do not want to pay the high prices of indebted companies. This is the law of supply and demand. Making it more challenging to open will make the Attorney General sleep better. Still, it will only bolster the black market and drain law-enforcement dollars better suited to the opiate epidemic and stop drunk drivers.

Data shows THC levels are not correlated with driving impairment.1 Every state that legalizes fears the stoned-driving menace... which never materializes. Grants to educate law enforcement is a positive approach, but ask any law enforcement authority which controlled substance kills the most motorists in marijuana-legal states. Focusing on stoned driving is an emotional approach, not a data-driven one.

The Massachusetts Cannabis Control Commission has skilled inspectors who are instrumental in industry compliance but look to the turnover rate of the Commissioners themselves for evidence that their role is unnecessary and dysfunctional. No member of the original commission remains, and none have had first-hand experience in the industry- as inspectors, licensing agents, or industry workers. Because they are separated from the industry and hand-tied in chipping away

at bloated bureaucracy, the black market continues, the regulated market favors Big Marijuana and local 'ma and pa' businesses fail. I encourage you to look to regulatory models in Vermont and Maine, where industry profits stay local, black markets are squelched out by the plethora of local, small businesses, and Big Marijuana has little incentive to suck profits to their distant shareholders. Additionally, seeking to understand how an industry is regulated by learning only from other regulators who created rules based on zero experience with how a cultivator might scale up a farm or how consumers prefer to acquire products also bolsters the black market. Seek out testimony from caregivers and consumers in Hawaii and other states. If you want to perpetuate the disconnect between governments and the cannabis industry and support the black market, make the bar to entry high. If you are ready to acknowledge that cannabis is as ubiquitous but less harmful than alcohol, then look to your alcohol regulations and create an industry where diversity and local profits are the norm.

I also recommend that the state review SB2619, which has been hand-delivered to many legislators but did not receive a hearing. The state must reinvent its medical cannabis program with fair regulations. The current dispensary system is a monopoly and has failed the medical patients of Hawaii. The state making the dispensaries an uncontrolled for-profit model has allowed the owners of these dispensaries to charge unfair prices and force those who cannot afford medicine to be without or go to the black market.

Thank you, R. Bray

Submitted on: 3/10/2024 4:09:02 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
parsha l oliva	Individual	Oppose	Written Testimony Only

## Comments:

## I oppose SB3335.

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In addition, there are practical difficulties in identifying individuals who may be impaired by cannabis while driving, including the lack of a cannabis analog for a breathalyzer for alcohol." Massachusetts has failed to eliminate the black market because it has over-burdensome regulations that don't consider the natural consequence of creating a high bar to licensure. The small businesses, legacy growers, and sellers who cannot acquire the 1.5-million-dollar war chest to open a facility will continue to supply consumers who do not want to pay the high prices of indebted companies. This is the law of supply and demand. Making it more challenging to open will make the Attorney General sleep better. Still, it will only bolster the black market and drain law-enforcement dollars better suited to the opiate epidemic and stop drunk drivers.

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at bloated bureaucracy, the black market continues, the regulated market favors Big Marijuana and local 'ma and pa' businesses fail. I encourage you to look to regulatory models in Vermont and Maine, where industry profits stay local, black markets are squelched out by the plethora of local, small businesses, and Big Marijuana has little incentive to suck profits to their distant shareholders. Additionally, seeking to understand how an industry is regulated by learning only from other regulators who created rules based on zero experience with how a cultivator might scale up a farm or how consumers prefer to acquire products also bolsters the black market. Seek out testimony from caregivers and consumers in Hawaii and other states. If you want to perpetuate the disconnect between governments and the cannabis industry and support the black market, make the bar to entry high. If you are ready to acknowledge that cannabis is as ubiquitous but less harmful than alcohol, then look to your alcohol regulations and create an industry where diversity and local profits are the norm.

I also recommend that the state review SB2619, which has been hand-delivered to many legislators but did not receive a hearing. The state must reinvent its medical cannabis program with fair regulations. The current dispensary system is a monopoly and has failed the medical patients of Hawaii. The state making the dispensaries an uncontrolled for-profit model has allowed the owners of these dispensaries to charge unfair prices and force those who cannot afford medicine to be without or go to the black market.

Thank you, Parsha L. Oliva

Submitted on: 3/10/2024 4:21:48 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
dakin retzlaff	Individual	Support	Written Testimony Only

## Comments:

I'm writing to urge you to prioritize the passage of an adult-use marijuana legalization bill this legislative session.

I, like most Hawaii residents, believe that marijuana ought to be legally regulated for adults. That's because the ongoing prohibition of marijuana financially burdens taxpayers, encroaches upon civil liberties, engenders disrespect for the law, and disproportionately impacts communities of color.

By contrast, a pragmatic regulatory framework that licenses production and sale of marijuana to adults – but continues to penalize underage sales and discourage use among minors – best reduces the risks associated with its use and commerce.

I strongly urge you to support the legalization and regulation of marijuana for adults in our state. This legislation needs to prioritize consumers' rights and freedoms and it must not contain provisions to further criminalize selected marijuana-related activity. For instance, this legislation ought to include language providing for the review and expungement of past, low-level marijuana-related convictions, as dozens of other states have already done. By contrast, it should not include unscientific provisions criminalizing non-impaired drivers for having the residual presence of certain cannabis constituents in their blood – a policy that most other states have rightly rejected.

It is time for lawmakers to take a rational and thoughtful approach to legalization. You have an opportunity to do so this year, and I encourage you to act accordingly.

Submitted on: 3/10/2024 8:57:35 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Dara Yatsushiro	Individual	Oppose	Written Testimony Only

## Comments:

I do not support or encourage recreational drug use and as our community leaders, you shouldn't either. Pass this and you'll end up like Colorado when they passed similar legislation: increase in crime, increase in impaired driving, an increase in children and teens getting access and increase in accidents, overdoses and deaths stemming from all of the above. Hawaii doesn't need this; learn from Colorado's mistake.

Submitted on: 3/10/2024 7:02:13 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
ANSON REGO	Individual	Oppose	Written Testimony Only

## Comments:

VOTE NO ON SB 3335 SD2 There will be much harm to our local community by passing this measure---increased opportunities to transfer to minors, scientific and psychological studies showing addiction and brain--mental health injury as well as lung hazards, and more automobile driving accidents.

Our communities for years--local people who live here--don't want the many problems and tragic situations this will bring our families.

Aloha,

Anson Rego, Attorney in Waianae nearly 50 years

<u>SB-3335-SD-2</u> Submitted on: 3/10/2024 9:00:01 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Dr. Guy Yatsushiro	Individual	Oppose	Written Testimony Only

Comments:

I oppose this. Thank you.

# Clifford G Wong, Ph.D. dba Hawaii DUI Toxicology Consulting

47-286 Hui Iwa Street, Apt.D, Kaneohe, HI 96744 808-670-9460

## March 10,2024

House Judiciary/Hawaiian Affairs Committee, and Agriculture/Food Systems Committee Representatives Tarnas (C), Takayama (VC), Gates (C), Kahaloa (VC), respectively

Re: SB 3335 SD2, Legalization of Adult Cannabis Use and Establishment of *per se* definition of THC intoxication

I am currently a board-certified forensic toxicologist (DABFT-FT) and was the former Toxicology Dept. Director of Clinical Laboratories of Hawaii , a local-grown clinical laboratory which provided clinical toxicology services to physicians, and forensic toxicology services for workplace drug programs, pathologists/coroners, and law-enforcement agencies in the state. In our forensic analyses, our laboratory provided toxicology evidence in support of DUI cases involving both alcohol and drugs, and of criminal prosecutions of assault/homicide in felony cases. I was often called to testify on behalf of our laboratories reports in court hearings from 1995 through 2019, the end year whereupon I formally retired from my position at Clinical Laboratories of Hawaii. I currently serve as an independent forensic toxicologist consultant for the county prosecutors and law enforcement, and for the state Depts. of Health /Transportation.

I wish to take this opportunity to address the proposed senate legislation SB3335 SD2 that is currently being reviewed by your committees. This legislation will legalize cannabis use for all adults in the state of Hawaii and will establish an infrastructure for the production and distribution of cannabis to the entire public, as well as adding an additional bureaucratic layer of oversight into the established medical cannabis program currently in place.

The proposed legislation has some serious flaws in the consideration of public health and criminal enforcement, and I was frankly surprised that it has proceeded to this cross-over point in view of the numerous testifying state agencies and officials who have either opposed or requested extensive corrections to the bill. Accordingly, I would like to offer my professional opinion as to flaws in the bill regarding public health and to criminal justice.

#### **Public Health**

I am quite familiar with the pharmacological and toxicological properties of cannabis as part of my forensic practice and offer my opinion as to the proposed legislation. I cannot emphasize

that the committee carefully consider all known factors of human cannabis use and its history in states where cannabis use has been legalized. I have seen most of the opinions already presented for this bill and urge extreme caution as to the wisdom of proceeding before all factors are clearly understood. Cannabis is an intoxicant with unique CNS-depressant and CNS-stimulant properties and is currently the most prevalent drug involved in DUI cases in the state outside of alcohol. As more clinical studies on chronic use have discovered, chronic cannabis use is addictive with users continually attempting to obtain doses of higher potency for their "recreation". Performance impairment of chronic users has been recently discovered to extend even beyond the typical 4-5 hours previously thought for recent use. The neuropathways in the brain and the endogenous brain (CB1) receptors have also been shown to be altered, most notably in the young, developing human brain. Some of these changes may be permanently altered, although change duration will be ultimately determined by longer longitudinal studies. Although the bill provides that cannabis use and sale must not be localized at schools and public venues, it will not protect our kids in neighborhoods from potential exposure as sales will be pervasive and will be easily obtained via electronic means or "friends of friends". Edible forms of cannabis would be another easily accessible source for actual use by children who will find it easier to consume than to inhale smoke. While the incidence of underage usage as not been as great as originally feared, nevertheless, the occurrence of edible cannabis products has opened de facto avenues of exposure to our children, which cannot be abided.

We have often heard that drug addiction is a "disease". If so, the normal method of disease treatment is to remove the source of "infection". How will cannabis addiction be eliminated if the source of the infection is allowed to persist in the environment? This bill is counter-intuitive to the view of drug addiction to cannabis as another "disease".

# **Criminal Prosecution of Impaired Vehicle Operation**

I am fearful that broad legalization of cannabis use in Hawaii will increase even more the occurrences of cannabis-related DUI driving, as supported by data from states already possessing legalization statutes.

My specific concern with this legislation as written is the establishment of a per se concentration limit for cannabis intoxication in blood at 10 ng/mL. Such a limit has no scientific basis for meaningful application in DUI cases. Scientific data from actual driving studies in the Netherlands by Dr. Jan Ramaekers have observed a level of 5 ng/mL in blood as the minimum threshold where consistent impaired driving occurred, but those levels were measured immediately after the driving experiment. Accordingly, such levels were adopted in some states for their per se definition of cannabis intoxication in driving. However, the confounding issue is that blood draws for DUI testing often occurred 2-4 hours after the incident where it has been established (Dr Marilyn Huestis) that blood THC levels drop rapidly after dosage and may significantly fall below the 5 ng/mL threshold during the time of the blood sampling for analysis, rendering the adoption of such a threshold as unrealistic given the lag in time between driving arrest and actual blood sampling. Of course, there is often the ever-present possibility that the defendant will not consent to any sampling or interview with police, thereby rendering any type of testing or impairment assessment by trained law enforcement officers (DRE) moot.

My fellow members of the Society of Forensic Toxicologists (SOFT) share a common consensus guided by formal professional practice that any *per se* threshold for drug intoxication lacks scientific merit based on current pharmacological knowledge:

- the hysteresis effects of drugs versus concentration: <u>blood concentration of an intoxicant drug</u>, <u>outside of alcohol</u>, is not proportional to its effects in human performance.
- the intoxicating effects of cannabis often lag after blood peak concentrations and these effects normally peak after the blood concentrations rapidly decline to very low levels (counterclockwise hysteresis).
- 3) The confounding issue of drug tolerance: chronic users may not exhibit intoxication at blood concentrations occasional or naïve users experience after use.

It is for these reasons outlined above, that in any DUI case, there are three pillars of evidence that must accompany a forensic determination of DUI beyond a reasonable doubt. These pillars are:

- 1) Driving impairment or unsafe driving behavior must have been exhibited by the driver.
- 2) The driver should exhibit specific behaviors and physiological symptoms that are unique for a given class of drug intoxicants.
- 3) The toxicology report must indicate recent use of an intoxicating substance/drug.

These enumerated factors are used in our current DUI assessment with drugs and should be maintained. A defined *per se* concentration limit is not consistent with current scientific knowledge or best practice. I recommend the exclusion of any proposed alterations in our current drug DUI practices by this bill. Under current rules, anyone who drives impaired by cannabis will be prosecuted for DUI, whether they possess a medical license for use for treatment or not. In real time scenarios, all impaired drivers blood concentrations will fall below the proposed 10 ng/mL cutoff by the time of the blood draw, rendering any criminal prosecution for cannabis-impaired driving almost improbable, or perhaps that is the hidden intent of this bill? Yes, even medically licensed cannabis users have been arrested in the past for impaired driving on Hawaiian roads. The criminal charges and sentencing should apply equally for <u>any</u> drug intoxicant impairment, whether a person possesses a medical license for use or not.

In addition, I would recommend that you consult with known national and world experts as to the consequences of chronic cannabis usage, both in adults and in children. Dr Marilyn Huestis has been involved in or has headed many clinical studies in the US on both impairing effects of cannabis, and the neural pathogenesis in brain tissue from chronic use by adults and children. I am sure that she would be happy to impart her experience and knowledge to the committee if given the opportunity.

Thank you for your consideration of my professional opinion on this matter.

Sincerely,

Clifford G Wong, Ph.D. DABFT-FT

Forensic Toxicologist

cliffordgwong@gmail.com

Submitted on: 3/10/2024 10:03:32 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Robert C. Anderson	Individual	Oppose	Written Testimony Only

## Comments:

## I oppose SB3335.

The Massachusetts cannabis regulatory framework, the first state to develop a Social Equity program, has failed in its endeavors. A pattern emerges in cannabis legislation where those who create the regulations do not seek counsel from the industry they intend to regulate. They seek counsel from regulators who congratulate themselves on their successes but hide the dysfunction, drama, low morale, and inefficiency of the policies they enforce until the legislature must return to revise bills. The wasted tax dollars implementing Massachusetts rules that neither protect the public nor reduce the black market are uncountable.

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The bill outlines its potential failings but does not address why the policies have failed; "Legalization is also not a panacea for eliminating the illicit market in cannabis, as the experience of other states is that the illegal market continues to exist in parallel to the legal, regulated market.

In addition, there are practical difficulties in identifying individuals who may be impaired by cannabis while driving, including the lack of a cannabis analog for a breathalyzer for alcohol." Massachusetts has failed to eliminate the black market because it has over-burdensome regulations that don't consider the natural consequence of creating a high bar to licensure. The small businesses, legacy growers, and sellers who cannot acquire the 1.5-million-dollar war chest to open a facility will continue to supply consumers who do not want to pay the high prices of indebted companies. This is the law of supply and demand. Making it more challenging to open will make the Attorney General sleep better. Still, it will only bolster the black market and drain law-enforcement dollars better suited to the opiate epidemic and stop drunk drivers.

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Thank you,

Submitted on: 3/10/2024 10:12:25 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Justin Tabios	Individual	Oppose	Written Testimony Only

## Comments:

## I oppose SB3335.

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The Massachusetts Cannabis Control Commission has skilled inspectors who are instrumental in industry compliance but look to the turnover rate of the Commissioners themselves for evidence that their role is unnecessary and dysfunctional. No member of the original commission remains, and none have had first-hand experience in the industry- as inspectors, licensing agents, or industry workers. Because they are separated from the industry and hand-tied in chipping away

at bloated bureaucracy, the black market continues, the regulated market favors Big Marijuana and local 'ma and pa' businesses fail. I encourage you to look to regulatory models in Vermont and Maine, where industry profits stay local, black markets are squelched out by the plethora of local, small businesses, and Big Marijuana has little incentive to suck profits to their distant shareholders. Additionally, seeking to understand how an industry is regulated by learning only from other regulators who created rules based on zero experience with how a cultivator might scale up a farm or how consumers prefer to acquire products also bolsters the black market. Seek out testimony from caregivers and consumers in Hawaii and other states. If you want to perpetuate the disconnect between governments and the cannabis industry and support the black market, make the bar to entry high. If you are ready to acknowledge that cannabis is as ubiquitous but less harmful than alcohol, then look to your alcohol regulations and create an industry where diversity and local profits are the norm.

I also recommend that the state review SB2619, which has been hand-delivered to many legislators but did not receive a hearing. The state must reinvent its medical cannabis program with fair regulations. The current dispensary system is a monopoly and has failed the medical patients of Hawaii. The state making the dispensaries an uncontrolled for-profit model has allowed the owners of these dispensaries to charge unfair prices and force those who cannot afford medicine to be without or go to the black market.

Thank you,

**Justin Tabios** 

<u>SB-3335-SD-2</u> Submitted on: 3/10/2024 10:18:58 PM Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Shannon Rudolph	Individual	Support	Written Testimony Only

Comments:

Support

Submitted on: 3/10/2024 10:50:43 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Mark Gordon	Individual	Support	Written Testimony Only

### Comments:

## Please Support SB 3335

- Recreational cannabis is legal in almost half of the U.S. States including Washington DC and Guam even in some of the more conservative States
- Use of Cannabis is much safer and has much less detrimental and long-term effects than smoking and alcohol, with the latter two both being legal
- No fatal overdoses reported in the Literature compared to other drugs
- Another industry besides tourism for Hawaii
- Would be a tremendous increase in tax revenue for the State, especially with a majority of funds me allocated for Maui relief efforts
- Can still be controlled and managed by DOH
- Allows tourists, as well as residents to purchase
- Would be controlled by the State and dispensaries so that only those who are authorized can buy it
- For the majority of States who have legalized marijuana, there has Not Been a significant rise in crime
- Organized crime is much more concern with drugs other than MJ

Appreciate your Support

<u>SB-3335-SD-2</u> Submitted on: 3/11/2024 9:38:29 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Terri Yoshinaga	Individual	Oppose	Written Testimony Only

Comments:

No to recreational marijuana!

Submitted on: 3/11/2024 10:04:06 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Elsworth kaanaana	Individual	Support	Written Testimony Only

Comments:

Aloha kakou,

My name is Elsworth Kaanaana and I am an educator in cultivation and sustainable farming. I have been working in the industry as a consultant for 10 years in hawaii. My goal is to utilize this sacred plant as a means to heal via la'au lapa'au. Also I promote cultural sustainable farming methods to cultivate food and medicine.

Over the years I have seen many things regarding cannabis and its benefits to the human race. One thing is certain...CANNABIS HEALS. I have witness personally 4 patients go into full remission while using cannabis and no other western methods. I believe by embracing cannabis as a means of therapy would greatly increase our success rate when dealing with substance abuse, ptsd, cancer, ect. I am for responsible usage of cannabis with proper infrastructure. Responsibility is a key factor when dealing with this controversial plant. Cannabis is one substances that has responsible handling guidlines that are consistent with most pharmaceuticals. Everything is in child safe packaging, when transporting we cannot be in reach of the medicine. Responsible usage is the cornerstone of every conversation.

Cannabis has been burden by a stigma of it being dangerous. I do believe those stigmas are long gone now. With what we know I think we should start entertaining the idea of using funds to do PROPER, UNBIASED RESEARCH.

Mahalo nui loa for your time to listen to my statement. Hawaii is my home, and forever will be.

Aloha nui loa, malama pono

Elsworth kaanaana

Submitted on: 3/11/2024 11:02:55 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Mandy Chang	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

In recent years I've heard from families living in State's where marijuana has become legal and none of them have had a kind word to say for the way it has impacted their communities. They've seen an increase in crime as well as a rise in companies of all types needing to fill employment openings without success. In these States the housing market has continued to climb - pricing families out of what should be reasonably affordable homes. These families have also felt increasingly unsafe as the feel of neighborhoods change. We live in a State that cannot afford to continue to move in a direction that is unsafe and unfriendly for families abilities to thrive. On Oahu our crime has skyrocketed and we are 400 police officers short - we cannot afford to invite more crime, more illegal activity and more danger to our island. The streets of Kapolei look like a homeless shelter and our parks have mentally ill individuals and those affected by drugs yelling and wandering around scaring our keiki - and our adults. It is no longer possible for the majority of working class families to afford even a starter home on Oahu. Our roads would also become more dangerous with the addition of those who would be driving under the influence of marijuana. Let's not continue down a path leading to more brokenness and loss of Aloha. I strongly urge you to vote NO on SB 3335 SD2.

Blessings,

Mandy Chang of Makakilo

<u>SB-3335-SD-2</u> Submitted on: 3/11/2024 11:28:08 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Regina Gregory	Individual	Support	Written Testimony Only

Comments:

support

<u>SB-3335-SD-2</u> Submitted on: 3/11/2024 11:30:21 AM Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Donna Brooks	Individual	Oppose	Written Testimony Only

Comments:

OPPOSED

<u>SB-3335-SD-2</u> Submitted on: 3/11/2024 11:32:05 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted	d By	Organization	<b>Testifier Position</b>	Testify
Teresa Goch	enouer	Individual	Oppose	Written Testimony Only

## Comments:

I oppose this bill. Please vote NO.

Submitted on: 3/11/2024 11:43:54 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Paul Yonamine	Individual	Oppose	Written Testimony Only

## Comments:

Tourism is important for our economy. Tourists are part of the fabric of our state. Almost all Asian Countries have highly punitive laws against the recreational use of cannabis. In Japan, there is punishment up to seven years of imprisonment for the use and possession of cannabis. Why would we pass a law allowing for a substance that could cause significant complexity to our tourism dynamic and possibly result in the incarceration of visitors returning to and our local residents visiting these Asian destinations? Work on parity of laws with our key Asian economic partners before we blindly drive forward in legalizing recreational cannabis. Thank you for listening.

Submitted on: 3/11/2024 11:59:09 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Alice Lina Liu	Individual	Oppose	Written Testimony Only

### Comments:

Aloha, thank you for the opportunity to testify.

I stand before you today to express my deep concerns regarding the potential legalization of marijuana and its adverse effects on our environment and agricultural practices.

- 1. \*\*Water Consumption:\*\* The cultivation of marijuana requires substantial water resources. Legalizing its widespread cultivation may strain local water supplies, leading to environmental degradation and negatively impacting other crops.
- 2. \*\*Pesticide Usage: \*\* Cannabis cultivation often involves the use of pesticides. If legalized on a large scale, this could lead to increased chemical runoff, polluting soil and water sources, and harming both ecosystems and agricultural lands.
- 3. \*\*Deforestation:\*\* Illicit marijuana cultivation has been linked to deforestation. Legalizing marijuana without proper regulations may inadvertently encourage large-scale cultivation, contributing to deforestation and loss of biodiversity.
- 4. \*\*Energy Consumption:\*\* Indoor cultivation of marijuana demands significant energy, often relying on high-intensity lighting and climate control systems. This energy-intensive process could strain power grids and increase our carbon footprint.
- 5. \*\*Soil Health:\*\* Continuous cultivation of marijuana without proper agricultural practices may deplete soil nutrients, negatively affecting the long-term viability of the land for agriculture.
- 6. \*\*Wildlife Impact:\*\* Expansion of marijuana cultivation areas may encroach upon natural habitats, displacing wildlife and disrupting ecosystems.

In conclusion, while I understand the complexities surrounding the legalization debate, it is crucial to consider the potential environmental and agricultural repercussions. We must carefully evaluate and regulate the cultivation of marijuana to mitigate these concerns and ensure a sustainable future for our environment and agriculture.

mahalo;

Alice Lina Liu

Submitted on: 3/11/2024 12:10:16 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Larry Smith	Individual	Support	Written Testimony Only

Comments:

TO: COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

Representative David A. Tarnas, Chair

Representative Gregg Takayama, Vice Chair

COMMITTEE ON AGRICULTURE & FOOD SYSTEMS

Representative Cedric Asuega Gates, Chair

Representative Kristin Kahaloa, Vice Chair

CONCERNING: SB 3335, SD2 Relating to Cannabis

POSITION: STRONG SUPPORT

Aloha Chair Tarnas, Vice Chair Takayama, Chair Gates, Vice Chair Kahaloa, and Members of the Committees:

I am writing to urge your support for SB 3335, a critical piece of legislation which establishes the Hawaii Cannabis Authority and Cannabis Control Board legalizes personal adult-use of cannabis, imposes taxes on sales, and authorizes actions outlined by the Attorney General to implement the adult-use cannabis program.

The legalization of personal adult-use cannabis is overwhelmingly supported by a majority of Hawaii residents, with polls indicating up to 70% in favor. Additionally, 26 states have already passed laws to legalize cannabis, either through voter initiatives or legislative action. It is clear

that legalization aligns with the will of the voters in Hawaii and is a trend supported by the broader nation.

SB 3335 provides for a regulated market that ensures control over cannabis access and product safety and strength. Regulation is urgently needed as illegal cannabis use already exists in Hawaii without any oversight. Polls indicate that approximately 15% of Hawaii residents, roughly 200,000, use cannabis, far surpassing the 33,000 participants in the Hawaii Medical Cannabis Program. Without regulation, there is no safety net to ensure the residents using black market cannabis know what they are purchasing.

Use by minors is a significant concern, but evidence suggests that regulated cannabis programs are more effective in curbing adolescent usage compared to the unregulated black market. The Center for Disease Control's analysis shows a decline in teen cannabis use from 43% in 1995 to 39% in 2015, coinciding with the implementation of regulated cannabis programs in various states.

Claims that legalizing cannabis would harm Japanese tourism lack evidence. There is no substantial negative impact on tourism in the 26 states where cannabis is legalized. It is essential that the Legislature prioritizes the will of Hawaii constituents who support legalization over unsubstantiated concerns about negatively impacting tourism. For instance, Nevada legalized recreational cannabis in 2017 without significant adverse effects on tourism.

It is time for Hawaii to acknowledge that adult cannabis use has existed for decades without regulation. Implementing regulations will create a safer marketplace while addressing the concerns surrounding illegal use and unregulated products. I urge you to support SB 3335 and play a pivotal role in advancing sensible cannabis policy in Hawaii.

Larry Smith

House District 27

Submitted on: 3/11/2024 12:22:08 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Ed Arcalas	Individual	Oppose	Written Testimony Only

## Comments:

Dear Hawaii Legislators,

For the sake of our precious population and safety of the citizens of Hawaii, **please deny the approval** of the legalization of cannabis (marijuana). Do really you want people driving under the influence of this drug? The effects which is equal to that of alcohol, if not worse. Using medical use as an excuse is not acceptable. It will only take one tragic accident to prove this legislation is wrong.

Submitted on: 3/11/2024 12:26:31 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Steve Goodenow	Individual	Oppose	Written Testimony Only

## Comments:

Aloha: Normally I believe in a citizens right to live their life free of government interference. However, I am concerned about the legal sale of marajuana without a medical purpose. I had a step-daughter who was 18 and decided to smoke marajuana and ended up in a mental ward. It was diagnosed as induced by marajuana she had obtained illegally from a boyfriend. While she is now fine, it made be think about the possible effect of this "drug." I also agree that there will be much more defective driving due to usage since irresponsible people will drive under the influence. I have have been an investigator for over 50 years and had many cases where serious injury has been caused by both alcohol and drugs including marajuana. It is unfortunate that people can not be responsible but that is a fact to not be ignored. I am sure that the State is looking for additional revenue due to these challenging economic times. But consider the cost to life and limb, families with fatal losses and the actual dollar cost to governmental services when there is abuse of this drug. I am sure an argument can be made that leagalizing marajuana will bring in revenues, and allow for personal freedom. But a solid argument can be made for the cost to the person and govenment if marajuana is legalized. It is with respect for your deliberations and thoughful consideration you vote no on the legalizaton of marajuana.

Submitted on: 3/11/2024 12:29:02 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Glenn Choy	Individual	Support	Written Testimony Only

## Comments:

My name is Glenn Choy, of Honolulu. I support this legislation for cannabis legalization. However, racial justice should be prioritized. Revenues should be reinvested in community welfare programs, not law enforcement. Local ownership of commercial ventures should be ensured.

Aloha,

In reference to SB3335\_SD2. Wow, 316 pages...

I have visited the lower 48 U.S states and many countries including consulting & working in Amsterdam for 12 years and have plenty of knowledge on how cannabis works for the good and not so good.

SB3335 SD2 is a well thought-out bill, very detailed and will help guide the Cannabis Authority Control Board.

Here are a few quick read notes.

Page 26 Line 8 - 9 Should include bicycles

Page 89 Line 4 6 plants Why the different number of plants? Think it should be the same.

Page 89 Line 12 10 plants This will help law enforcement not get confused.

Page 92 Line 16 - 18 Page 89 Line 1 - 2 Should include alcohol extraction.

I'm not a fan of the health of liquid vaping, only it's pure CO2 extract with no additives.

Pages 141 - 160 Might want to consider a license for a "Cannabis Café" like the "Coffee Shops"

in Amsterdam. (only for smoking cannabis, and not able to sell)

And/Or a license for an existing business to allow people to smoke cannabis. This will give people a place to smoke (cannabis only, no tobacco) and keep them

from smoking out in the open. Las Vegas has done this.

Or would this fall under Page 153 "other licenses authorized special use permit"???

I don't agree with the transfer license from medical to recreational.

They have their cannabis business, now give other people a chance for a cannabis business.

Change "marijuana" to "cannabis"

Note: Marijuana is a type of racist word, referring to Mexicans or prisoner.

Call it what it is. Cannabis and Hemp.

We need to stop dragging our feet and get this done.

Obviously this will reduce resources needed to combat black market and increase resources to combat meth, fentanyl etc.

We all know the money this would generate for Hawai'i.

There is a big tourist market, especially with the Canadians, Australians, New Zealanders and Europeans.

Fell free to contact me with any questions or concerns.

Mahalo, Pitts Burgh

808-799-7047

KahikoPitts@yahoo.com

Submitted on: 3/11/2024 2:28:42 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Robin Ventura	Individual	Oppose	Written Testimony Only

## Comments:

As I read the finding from other states which have legalized recreational marijuana, there is no redeeming value in this bill. In Colorado, 25% of the highway deaths involved Marijuana. We already have drunk drivers in Hawaii, we don't need any more impaired drivers to kill innocent Hawaii residents!

Many of our keiki are struggling with mental health issues, and due to the higher THC levels in marijuana used today, there is more association with psychosis and suicides.

Please protect our keiki and our 'ohana by voting NO on SB 3335 SD2

Mahalo,

Robin Ventura

<u>SB-3335-SD-2</u> Submitted on: 3/11/2024 3:12:48 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Lora Burbage	Individual	Oppose	Written Testimony Only

Comments:

Aloha!

Please oppose this bill. It will not be beneficial to the overall health and welfare of adults and especially children.

Mahalo!

Lora Burbage

Submitted on: 3/11/2024 3:56:49 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Michael Stacy	Individual	Support	Written Testimony Only

### Comments:

Please vote YES. This bill is a victory, when Hawaii NEEDS one. Pass this bill, please, allow Governor Green the opportunity sign it.

This bill is a HUGE step forward. It will prove worth the work when it becomes law. Our communities, and society, are able to face the challenges of the future together. We can create win-win opportunities and avoiding the failures of other states. We're learning from them. Our experience in Hawaii offers answers FOR Hawaii. It was good to wait and watch, now no more waiting. Every concern can be addressed without RE criminalizing cannabis in fine print. We can have safe roads, good schools, and increased funding for community services. Solutions exist for every objection. Tourism will thrive, SAFELY.

The conversations between law enforcement and the emerging small local licensed cannabis communities will solve a lot problems, early. When citizens the same legal protection as LARGER cannabis enterprises, we can all speak without fear. Simple truths can answer questions and prevent problems. Changing the tone, changes the argument. This is the moment when criminalizing cannabis use should change. We should learn to speak in harmony. Peacefully. In my opinion a return to community investment in the form of social equity programs is a HUGE step towards healing the damages of GENERATIONS of prohibition. Families were torn apart, homes taken, freedoms lost. We're here to change the future for the better.

When some people were planning businesses, other growers were planning to see their families at prison visits. Remember that every person charged has a future, and most of us still have families, when you are deciding what "legalization" will mean in Hawaii.

Cannabis saved me during a lifetime of undiagnosed and untreated leprosy. Counting my blessings is easy, with all my fingers and toes still. The cure was easy, getting doctors to see past

the sores and the label "drug user" was the 30 year battle. Treatment was hard, but cannabis helped. It helps me now, as I learn to live with disability. Being denied proper care has changed my future. I have a medical battle to live with, and cannabis is the best medicine science and personal experience can offer. I need this bill to pass because drug war propaganda led DIRECTLY to me receiving a reduced "standard of medical care". There was a decision NOT to act on medical concerns, because of unfounded fears of drug abuse based on cannabis use.

I'm not alone. This "reefer madness 2.0" is a danger to public health and safety. Generations of doctors were trained in the ERA of a "war on cannabis". That fact is killing a patient somewhere, right now. Hawaii can do better. We should learn from the mainlands mistakes. Current NIH government database research publications refute the old arguments of psychosis and addiction. Cannabis is the treatment of choice for some patients. We shouldn't be punished for "driving while surviving".

As a lifetime cannabis patient who remembers the helicopters, I need this bill to pass. Just to relax, for the first time in my life. Regardless of medical permits, I am exhausted from living in fear of the police. P.T.S.D. is a fact. Treatment helps. I have spent my life hiding among the flowers. I refuse to be labeled as part of the "Black Market". I am a human being, and I will not hide any more. My socioeconomic niche is a byproduct of a failed war on cannabis. I can only move forward with others like myself, or be first in line to be destroyed by any bad legislation that gets past you. I enter my future with good faith. Only a level playing field and a broad tax base can provide the stability and revenue necessary to address budgetary concerns. This tax base is created in the instant you make legal licensing possible. With every new legal cannabis business the imports and black market are dis-placed. This is a win/win

If the law leaves no room for those who breed cannabis out of love of the herb and the desire to preserve and protect it, then the law puts MANY people in extreme danger. As a cannabis breeder I extend my hand in friendship to law enforcement. Sorry if you thought I was in this for money, it was always love, and a struggle to survive. I'm not "black market". I was a farmer, and a patient, before either were legal. Sorry for any misunderstanding. I thank the legislature for this LIFE CHANGING MOMENT. Until compliance is an option, non-compliance is the default. The voters deserve better.

A citizens rights to due process begin in the drafting of a law, and the protection of our rights depends on all voices being EQUAL in this discussion. If we can agree that we share the fundamental principles and objectives, and if we believe that the solution is within our grasp if we work together, then the path forward should be evident. In past bills there has been a strong influence from corporate lobbyist groups working to disrupt cannabis legislation and prevent

legalization. I mistrust voices that argue AGAINST having inclusive dialogue in matters where activity by the public can be difficult for law enforcement to fully understand, or appreciate. This bill signifies that Hawaii cannabis law has fundamentally changed, in a measured and responsible fashion. When fear no longer demands silence, people will step up and offer solutions.

My name is Michael Stacy. I'm a medical cannabis patient in Puna, Big Island. My dream is a well regulated and legal Landrace Cannabis preservation program. A seed bank. Cannabis saved my life. I plan to return the favor. Global landrace cannabis populations are in danger. It is my dream to grow each one. It's an art, to ME. It is my "pursuit of happiness".

If your chains are broken already, help someone else now.

Freedom is within our reach.



ABC Stores 766 Pohukaina Street Honolulu, Hawaii 96813-5391 www.abcstores.com

Telephone: (808) 591-2550 Fax: (808) 591-2039 E-mail: mail@abcstores.com

To: Committee on Judiciary & Hawaiian Affairs, Committee on Agriculture & Food Systems

Re: SB 3335 SD2 Relating to Cannabis

Date: March 13, 2024 Time: 2:00 p.m.

Place: Conference Room 325

**Position: Strongly Oppose** 

Good afternoon, Chairperson David A. Tarnas & Cedric Asuega Gates, Vice Chair Gregg Takayama & Kristin Kahaloa and members of the Committee on Judiciary & Hawaiian Affairs and Committee on Agriculture & Food Systems. I am Curtis Higashiyama Employee Relations and Government Affairs Manager, and we appreciate this opportunity to testify.

ABC Stores **Strongly Opposes** bill SB3335 SD2. Establishes the Hawaii Hemp and Cannabis Authority and Hemp and Cannabis Control Board within the Department of Commerce and Consumer Affairs to regulate all aspects of the cannabis plant. Establishes the Hemp and Cannabis Control Implementation Advisory Committee. Beginning January 1, 2026, legalizes the personal adult use of cannabis. Establishes taxes for adult-use cannabis and medical use cannabis sales. Transfers the personnel and assets of the Department of Health and assets of the Department of Agriculture relating to cannabis to the Hawaii Hemp and Cannabis Authority. Declares that the general fund expenditure ceiling is exceeded. Makes appropriations. Takes effect 12/31/2050. (SD2)

We ask the committee to take into consideration the information/testimony being presented on the negative deleterious effects of passing such a measure.

- From the health care industry where the consistent narrative of how commercialization has had a deleterious effect on communities and the additional costs to public safety and health.
- The negative impacts on our youth. Increased perception that it is "ok" and acceptable to smoke marijuana. From the Substance Abuse and Mental Health Services: In young men, 1 in 10 who use marijuana will become addicted and for youth under 18 addiction rates increase to 1 in 6.
- The cost of doing business and the black market. While some tout the revenue stream, this must be measured against the cost of bringing the business to market which includes cost of build out, permits and fees, and sourcing. The black market will have an increased appeal due to not having to comply with governmental regulations thereby offering the product at a much lower cost.
- Enforcement. An increase cost for the addition of a "Cannabis Authority" and the staffing needed to enforce regulations. Of concern are comments by the Department of Law Enforcement citing the experiences of other states where there are significant risks for the public safety, the Department of Health and its concerns with cannabis use and exposure, and from Maui County how cannabis remains a dangerous



### ABC Stores 766 Pohukaina Street Honolulu, Hawaii 96813-5391 www.abcstores.com

Telephone: (808) 591-2550 Fax: (808) 591-2039 E-mail: mail@abcstores.com

substance with numerous negative consequences and would divert much needed funding away from other areas of law enforcement.

• Tourism: The economic driver for Hawaii. We have seen the devastating impacts to businesses on Maui with the severe reduction in travelers due to the wildfires. It has been stated at recent conferences from leaders in the Japanese industry that if legalized, Japanese tourists will stop coming to Hawaii, a major driver in per person spending here in the state.

We believe that legalizing cannabis would harm Hawaii's communities and youth, as well as its economy and tourism. Cannabis has negative effects on health, safety, education, and social well-being. We want to preserve Hawaii's reputation as a beautiful and welcoming place for everyone. Join us in opposing the legalization of cannabis in Hawaii.

We **strongly oppose** this measure. Thank you for the opportunity to testify.

Mahalo, Curtis Higashiyama ABC Stores Employee Relations and Government Affairs

Submitted on: 3/11/2024 4:18:42 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Pat Marn	Individual	Support	Written Testimony Only

## Comments:

Legalization of cannabis is very important for the state of Hawaii. From tax relief to overcrowded prisons, legalizing cannabis would benefit Hawaii in a multitude of ways. Giving clean and safe access to cannabis is important for our residents, esp Kupuna. I wholeheartedly stand in support of SB3335 and the leagalization of cannabis recreationally in Hawaii

Submitted on: 3/11/2024 4:56:09 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Alika Bee	Individual	Oppose	Written Testimony Only

## Comments:

## I oppose SB3335.

The Massachusetts cannabis regulatory framework, the first state to develop a Social Equity program, has failed in its endeavors. A pattern emerges in cannabis legislation where those who create the regulations do not seek counsel from the industry they intend to regulate. They seek counsel from regulators who congratulate themselves on their successes but hide the dysfunction, drama, low morale, and inefficiency of the policies they enforce until the legislature must return to revise bills. The wasted tax dollars implementing Massachusetts rules that neither protect the public nor reduce the black market are uncountable.

The cannabis industry in Hawaii is alive and well, as the legacy market is efficient, experienced, and responsive to supply and demand. Bill SB3335 is responding to the wishes of the Hawaii Attorney General and law enforcement agencies, who still need to reduce the unregulated industry year after year.

The bill outlines its potential failings but does not address why the policies have failed; "Legalization is also not a panacea for eliminating the illicit market in cannabis, as the experience of other states is that the illegal market continues to exist in parallel to the legal, regulated market.

In addition, there are practical difficulties in identifying individuals who may be impaired by cannabis while driving, including the lack of a cannabis analog for a breathalyzer for alcohol." Massachusetts has failed to eliminate the black market because it has over-burdensome regulations that don't consider the natural consequence of creating a high bar to licensure. The small businesses, legacy growers, and sellers who cannot acquire the 1.5-million-dollar war chest to open a facility will continue to supply consumers who do not want to pay the high prices of indebted companies. This is the law of supply and demand. Making it more challenging to open will make the Attorney General sleep better. Still, it will only bolster the black market and drain law-enforcement dollars better suited to the opiate epidemic and stop drunk drivers.

Data shows THC levels are not correlated with driving impairment.1 Every state that legalizes fears the stoned-driving menace... which never materializes. Grants to educate law enforcement is a positive approach, but ask any law enforcement authority which controlled substance kills the most motorists in marijuana-legal states. Focusing on stoned driving is an emotional approach, not a data-driven one.

The Massachusetts Cannabis Control Commission has skilled inspectors who are instrumental in industry compliance but look to the turnover rate of the Commissioners themselves for evidence that their role is unnecessary and dysfunctional. No member of the original commission remains, and none have had first-hand experience in the industry- as inspectors, licensing agents, or industry workers. Because they are separated from the industry and hand-tied in chipping away

at bloated bureaucracy, the black market continues, the regulated market favors Big Marijuana and local 'ma and pa' businesses fail. I encourage you to look to regulatory models in Vermont and Maine, where industry profits stay local, black markets are squelched out by the plethora of local, small businesses, and Big Marijuana has little incentive to suck profits to their distant shareholders. Additionally, seeking to understand how an industry is regulated by learning only from other regulators who created rules based on zero experience with how a cultivator might scale up a farm or how consumers prefer to acquire products also bolsters the black market. Seek out testimony from caregivers and consumers in Hawaii and other states. If you want to perpetuate the disconnect between governments and the cannabis industry and support the black market, make the bar to entry high. If you are ready to acknowledge that cannabis is as ubiquitous but less harmful than alcohol, then look to your alcohol regulations and create an industry where diversity and local profits are the norm.

I also recommend that the state review SB2619, which has been hand-delivered to many legislators but did not receive a hearing. The state must reinvent its medical cannabis program with fair regulations. The current dispensary system is a monopoly and has failed the medical patients of Hawaii. The state making the dispensaries an uncontrolled for-profit model has allowed the owners of these dispensaries to charge unfair prices and force those who cannot afford medicine to be without or go to the black market.

Thank you,

Submitted on: 3/11/2024 5:33:05 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Chelsea Chae	Individual	Oppose	Written Testimony Only

## Comments:

I strongly oppose this measure as I am watching other States with devastating impact to their communities, and some States are about to reverse their ill-conceived statues, having seen how the effect of lax drug laws become a scourge to their communities. Hawaii is closing their eyes to the experiences in other States from whom we should absolutely learn. If you believe that the crime rates are intolerable now, just wait until you put this measure to effect.

Submitted on: 3/11/2024 5:34:24 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Keith A. Smith	Individual	Oppose	Written Testimony Only

## Comments:

I am 100% against this bill. The only reason for such a bill is a money grab by the state of Hawai'i. No consideration is given to the social implications of expanding legal use of marijuana. Such a bill will only increase the public use and invariably increase the use of marijuana by our children. The harm this will cause to to our youth is immeasurable. Vote NO on this bill.

Submitted on: 3/11/2024 6:05:11 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Antonio M Davila jr	Individual	Support	Written Testimony Only

## Comments:

Aloha, my name is Antonio Davila and I live in Honolulu. I'm testifying in strong support of HB1595, the Cannabis Expungement Act. Nearly 50,000 people in Hawai'i are living with a cannabis possession-related criminal record; that means 50,000 people facing barriers to safe housing, employment, education, and access to financial and credit services. With the Cannabis Expungement Act, we're righting the wrongs of the failed War on Drugs and since Act 273 was passed in 2019 which decriminalized the possession of three grams or less of cannabis, it only makes sense to clear people's records. Please support HB1595. Mahalo for your time and consideration.

Submitted on: 3/11/2024 6:12:56 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Betty L. Bodlak	Individual	Oppose	Written Testimony Only

## Comments:

Oppose this billl. I feel it should have input from people who actually use and benefit from cannabis. Other states have successful cannabis sales to the public; cleearly they have found the path to production and distribution that benefits all involved. Thank you. Betty Bodlak, Waialua

<u>SB-3335-SD-2</u> Submitted on: 3/11/2024 6:16:09 PM Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
anthony ettleman	Individual	Oppose	Written Testimony Only

Comments:

I oppose this.

Submitted on: 3/11/2024 7:32:15 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Raelyn Reyno Yeomans	Individual	Comments	Written Testimony Only

### Comments:

I'm testifying [with comments/in support] on SB3335 SD2. I believe Hawai'i should join 23 states in legalizing cannabis. Any legalization efforts should prioritize racial justice and equity in reform efforts in order to address the harms that cannabis laws have inflicted upon Native Hawaiians and communities of color.

SB3335 Relating to Cannabis, needs to reinvest cannabis revenue into community safety, not in law enforcement. We should invest cannabis tax revenues into proven solutions that help build safer communities such as programs that focus on harm reduction, crisis outreach, food banks, mental health support, homeless outreach, outpatient treatment, and housing assistance.

SB3335 should ensure local ownership. People who have been harmed by the enforcement of cannabis must have a place in the burgeoning marketplace created by legalization.

SB3335 should remedy the harm caused by the failed War on Drugs. Any outstanding debts for cannabis fines and fees should be forgiven. People with a cannabis conviction on their record should be able to fully re-integrate into society by accessing the same rights and services as anybody else. Mahalo for your time and consideration."

Thank You!

Submitted on: 3/11/2024 8:21:59 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Elizabeth Winternitz	Individual	Support	Written Testimony Only

### Comments:

Aloha, my name is Elizabeth Winternitz and I live in Kula, Maui. I'm testifying in support of SB3335 SD2. I believe Hawai'i should join 23 states in legalizing cannabis. Any legalization efforts should prioritize racial justice and equity in reform efforts in order to address the harms that cannabis laws have inflicted upon Native Hawaiians and communities of color.

SB3335 Relating to Cannabis, needs to reinvest cannabis revenue into community safety, not in law enforcement. We should invest cannabis tax revenues into proven solutions that help build safer communities such as programs that focus on harm reduction, crisis outreach, food banks, mental health support, homeless outreach, outpatient treatment, and housing assistance.

SB3335 should ensure local ownership. People who have been harmed by the enforcement of cannabis must have a place in the burgeoning marketplace created by legalization.

SB3335 should remedy the harm caused by the failed War on Drugs. Any outstanding debts for cannabis fines and fees should be forgiven. People with a cannabis conviction on their record should be able to fully re-integrate into society by accessing the same rights and services as anybody else.

Mahalo for your time and consideration.

Elizabeth Winternitz

Submitted on: 3/11/2024 8:36:56 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Emily Sarasa	Individual	Support	Written Testimony Only

### Comments:

Aloha,

My name is Emily Sarasa and I am a law student living in Kaimuki. I'm testifying in general support of SB3335 SD2 with some comments. I believe Hawai'i should join 23 states in legalizing cannabis. Any legalization efforts should prioritize racial justice and equity in reform efforts in order to address the harms that cannabis laws have inflicted upon Native Hawaiians and communities of color.

SB3335 Relating to Cannabis, needs to reinvest cannabis revenue into community safety, not in law enforcement. We should invest cannabis tax revenues into proven solutions that help build safer communities such as programs that focus on harm reduction, crisis outreach, food banks, mental health support, homeless outreach, outpatient treatment, and housing assistance.

SB3335 should ensure local ownership. People who have been harmed by the enforcement of cannabis must have a place in the burgeoning marketplace created by legalization.

SB3335 should remedy the harm caused by the failed War on Drugs. Any outstanding debts for cannabis fines and fees should be forgiven. People with a cannabis conviction on their record should be able to fully re-integrate into society by accessing the same rights and services as anybody else.

Mahalo for your time and consideration,

**Emily Sarasa** 

Submitted on: 3/11/2024 10:14:08 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Jed Tesoro	Individual	Oppose	Written Testimony Only

Comments:

## Please vote...

# "NO to RECREATIONAL MARIJUANA!"

As a registered voter, please honor the wishes of our communities on behalf of our children and families and say "NO to Recreational Marijuana!" Our children, families, and communities are struggling with so many issues. We do not need something else to harm our children and families.

As a Grandpa and retired educator, please help us to protect our children. They face too many dangers and influences with social media and peers. It's heart wrenching to see students as young as the third grade trying to fit in by experiment with vaping. The Star Advertiser, reported that the DOE is seeking support for teens' mental health needs. One-third of our students feel sad or hopeless. One-fifth say they purposely hurt themselves. We cannot say, "Kids will not have access to the recreational marijuana." They already have access to so many other detrimental situations. If government says, "It's recreational use, they will view it as it must be okay."

We cannot control Vaping, Drunk Driving, Sex Trafficking, and so many other challenges in our society. Please fix these other dangers and challenges in the lives of our kids before introducing another potential harm. They need our help, not more confusion! Please don't make this about finances and money.

## Our children are priceless!

As a citizen and community member, I have witnessed and experienced the consequences of marijuana as a gateway drug. Family members and friends have lost their lives, mental capacity, or have gone to prison. Many have the lost the ability to be a contributing member of our society. Many used marijuana before doing harder drugs. It's heartbreaking to think about the devastating potential of recreational marijuana.

# "Please vote "NO!" to recreational marijuana use!"

Thank you for your service to our beloved state and communities.

We trust that you will do the right thing by voting "NO!" to recreational marijuana use.

Submitted on: 3/11/2024 10:45:05 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Catherine Collado	Individual	Oppose	Written Testimony Only

#### Comments:

I am strongly OPPOSED to this bill re: Cannabis, SB3335 SD2. We all know that legalizing the use of marijuana will result in increased use of marijuana among our children. Do you really believe that the recreational use of marijuana will confine itself to law abiding citizens? Use of marijuana will likely cause children, and adults for that matter, to venture into other street drugs. Should you pass this bill, there will be repercussions such as increased use/sale of street drugs, increased vandalism, increased crime against people, property, and business; increased use of illegal firearms, increased human trafficking, decreased school attendance, increased psychological problems, decreased tourism, increased use of State funds to rectify some of these issues. If the intent of this bill is to tax marijuana users and growers to contribute to the State's financial income, you are gravely wrong. It will cause greater use of State funds to respond to additional problems created as a result of legalizing marijuana. In addition, what type of people do you think you will attract to Hawaii from all over the states and the world by passing this type of bill? By passing this bill you greatly compromise the safety of our children, our elderly, our tourists, and the people of Hawaii. Please do your due diligence to the people of Hawaii, and OPPOSE this bill. Listen to the majority of those testifying and hear what they are saying about this bill. Heed the call of the constituents and those who you work for. We need to keep Hawaii a safe place to live and raise our children and grandchildren.

Submitted on: 3/12/2024 12:50:01 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Jeffrey Shitaoka	Individual	Oppose	Written Testimony Only

#### Comments:

Dear Representatives,

As a resident of Hawaii, I would like to add my testimony opposing the legalization of personal non-medical cannabis usage.

For our children's sake, please do not pass legislation to legalize personal non-medical cannabis. Our children and teenagers in our state will have even greater access to cannabis if this bill passages even if the legislation is for adults at least 21 years of age.

While proponents of this bill cite an increase of revenue and other economic benefits, it should not come at the expense of our keiki, their developing brains and their precious futures.

Furthermore, we should have a right to breathe fresh air free from cannabis smells in public spaces. My family and I recently visited a few major cities on the continental U.S. where recreational cannabis is legal and we were overwhelmed by second hand smells from cannabis usage on the streets and in other public locations. We were turned off by these smells and vow not to visit those cities again. We do not want the public spaces in Hawaii to be filled with cannabis smells.

Please do not advance this bill out of your committees. Have the courage to take a stand for our keiki.

Kind regards,

Jeffrey Shitaoka

Kind regards,

Jeffrey Shitaoka

Submitted on: 3/12/2024 1:31:19 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Bill Hicks	Individual	Oppose	Written Testimony Only

#### Comments:

For every legislator who has regularly taken positions in support of public health and public safety, I urge consistency! For the sake of public health and safety, do not legalize the recreational use of marijuana.

The testimony you have already received is crystal clear that legalizing the recreational use of marijuana would be harmful to public health and safety. Such use leads to an increase in psychotic disorders. Such use leads to an increase in suicidal behavior. Such use during pregnancy adversely affects babies and children. Such use has an environmental impact. Such use adversely impacts brain development in young adults. Such use poses additional safety hazards on roadways, in industrial activities, and in healthcare settings. Hawaii does not possess the infrastructure to cope with the additional strain that increased use of marijuana will clearly create.

Looking through the testimony submitted for the HHS-JDC hearing on 2/13/24, I find:

The Department of the Attorney General "...does not support the legalization of adult-use cannabis".

The Department of Education "...has strong concerns regarding the negative impacts on youth".

The Department of Law Enforcement "...has serious concerns".

The Department of Health "Legalizing adult use of cannabis should be expected to have a negative impact on the health of the public."

The Department of the Prosecuting Attorney of Honolulu "...strong opposition".

The Hawaii Paroling Authority "...will cause an increase in traffic deaths, psychosis, schizophrenia, and acts of violence...[leading to] an increased number of parole revocations, population increase within our prison systems, mental health facilities, hospitals/ER visits, and a substantial increase in criminal behavior."

County of Hawaii Police Department "The passage of this bill will negatively affect many aspects of our society."

County of Kauai Police Department "...resulting in the expansion of marijuana use, increased criminal activity, and dangerous roadways thereby negatively affecting our quality of life and impacting public safety."

The Department of the Prosecuting Attorney of Maui "Hawai'i has a chronic lack of support services for both mental health and substance abuse issues. Legalization [will] ...make it worse by making an existing intoxicant not only widely available, but heavily advertised."

County of Maui Police Department "The legalization of marijuana ... would increase violent crime and would increase homelessness."

County of Honolulu Police Department "...increasing the availability of marijuana in the state will have a negative impact on public safety."

Please take note that the major groupings of individual testimonies were about 4:1 in opposition (162 opposed, pages 343-560 vs. 43 in support, pages 271-329).

Submitted on: 3/12/2024 8:04:42 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Frank Lopez	Individual	Oppose	Written Testimony Only

# Comments:

I OPPOSE! This is our home our land our Hawaii. It should always be Patients over Profits, Quality over Quantity, and Aloha above all else. Don't let this be another big box takeover along with all of our other industries. Think about it, who is it really benefiting if not the patients? Mahalo for your time and consideration.

Submitted on: 3/12/2024 9:33:35 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Victor Makekau-Scocca	Individual	Support	Written Testimony Only

Comments:

**Testimony:** 

IN SUPPORT

SB3335, SD2 - Relating to Cannabis

**Aloha Chairs Tarnas and Gates:** 

My name is Victor Makekau-Scocca

Thank you for the opportunity to testify in strong support of SB3335, Relating to Cannabis. This measure seeks to provide a regulatory framework for adult use of cannabis while generating badly needed revenue for the state.

The legalization of cannabis would stimulate job creation across various sectors of the economy. From cultivation and processing to retail and distribution, the cannabis industry offers employment opportunities at every stage of the supply chain. By fostering entrepreneurship and innovation, legalization would empower local businesses to thrive and expand, contributing to overall economic resilience and prosperity.

In addition to its direct economic impacts, legalized cannabis can also have positive ripple effects on related industries such as tourism and hospitality. As Hawaii becomes known as a destination for cannabis enthusiasts, it can attract a new wave of visitors who are eager to explore our beautiful islands and experience our unique culture. This influx of tourism dollars can bolster local businesses, hotels, restaurants, and recreational activities, creating a multiplier effect that benefits the entire community.

- Currently, more than 80% of Hawaii voters support legalizing and regulating cannabis use for adults.
- Cannabis is already being bought and sold in the islands but occurs through unregulated transactions. SB3335 would address this by regulating and taxing the cannabis industry.
- This measure provides for strong enforcement that would reduce risk of illicit sales and exposure for Hawaii's keiki and the public.

- In addition, the measure would establish a new 14% cannabis tax. Together with GET as well as income and corporate taxes the bill has the potential to provide a significant revenue stream for the state.
  - Nearly \$40 million within the first year of initial sales; and
  - Over \$100 million per year when the industry fully matures
- SB3335 would also transfer staff and funding of the Office of Medical Cannabis
  Control from the Department of Health to the newly formed Cannabis Authority.
  This transfer would provide the resources necessary to implement an adult-use
  cannabis regulatory program without further funding. This approach would also be
  consistent with initial funding levels other states have provided to launch their
  regulatory programs for adult-use.
- I respectfully urge the committees to pass SB3335 to safeguard the public, support the majority of Hawaii's voters desire to allow for adult use, and establish a new tax revenue stream that is now being lost to the illicit market.

Mahalo

<u>SB-3335-SD-2</u> Submitted on: 3/12/2024 10:14:29 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Andre Pulido	Individual	Oppose	Written Testimony Only

Comments:

Oppose

Submitted on: 3/12/2024 10:24:18 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By Organization		<b>Testifier Position</b>	Testify
Alice Luck	Individual	Comments	Written Testimony Only

Comments:

Aloha,

I offer the following suggested changes to this bill.

PART IX **§A-142 Social equity program.** Regarding Social Equity Program, amend section to read:

(2) Provide grants to assist social equity applicants that are community-based organizations for the purpose of developing, implementing, and supporting nonprofit projects, services, and programs that address community needs of disproportionately impacted areas, including housing and child care programs, after-school and summer programs, and programs that build youth resiliency.

**PART IX §A-142 Social equity program.**, Regarding annual report on social equity program, add new item:

(4) Grants awarded to Child care, after-school and summer programs and programs that build youth resiliency by County and program outcomes.

Part X, §A-152 Regarding Public health and education grant program, amend to read:

- (2) Provide grants to assist community-based organizations with developing, implementing, and supporting youth services, including child care, after-school and summer programs, programs that build youth resiliency, youth recreational centers, services for supportive housing, counseling, and preventing or treating youth substance abuse;
- (3) Provide grants to assist community-based organizations with developing, implementing, and supporting programs for individuals with a dual diagnosis of mental disorder and substance abuse disorder, including service for supportive housing, residential treatment, outpatient treatment, counseling, and other related services;

Part X §A-152, Regarding public health and education grant program annual report, add:

- (4) The extent and reach of the public health and education campaigns;
- (5) The number of adult and youth substance abuse and dual diagnosis prevention and treatment program participants served by County;
- (6) The number of youth support and resiliency program participants served by County;
- (4) If applicable, the number of new jobs and other forms of economic output created as a result of the grants.

Submitted on: 3/12/2024 10:37:13 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
donn viviani	Individual	Comments	Written Testimony Only

#### Comments:

I am Donn Viviani, a Kailua resident. I am writing concerning the use of per se drug testing in the bill -- to determine if a person is guilty of driving impaired. First, it doesn't work to identify impairment; Second, its effect will be discriminatory, resulting in biased prosecutions. The U.S. Dept of Transportation has concluded: "It is not possible to conclude anything about a drivers impairment based on THC levels in the blood." Given the possibility of racial profiling in traffic stops, this can result in increased incarceration of marginalized and disadvantaged populations based on test results that just don't work. Please remove this from the bill Thank you

Submitted on: 3/12/2024 10:51:56 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Jeremiah J Ryan III	Individual	Oppose	Written Testimony Only

Comments:

Aloha.

I oppose this Bill.

For you information, growing Cannabis is not easy.

It requires years of experience to learn to grow Cannabis. It is also a full-time job to successfully complete a grow-cycle. There is a considerable investment just to get started for soil, lights, nutrients, ect.

Then, if the crop survives to maturity, 40 -60% of the plants will be male plants, which certainly is not the goal of Cannabis production.

This Bill is obese and puts Hawaiian Medical Cannabis on the same road to failure as seen in all other States trying to navigate this challenge.

Please see "Overregulation and Overtaxation: How America Botched Legalzing Pot" on the FORBES YOUTUBE CHANNEL.

Please be aware the products from the Dispensaries are inferior to Cannabis grown in livingsoil, outside or greenhouse.

Small Legacy/Craft Cannabis Farms and Co-op's seems to be the best way for Hawai'i to preserve the quality Cannabis Medicine the World has come to know and that every patient deserves.

Thank you.

Sincerely,

Jeremiah J. Ryan III

Submitted on: 3/12/2024 10:59:26 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Sheila Medeiros	Individual	Oppose	Written Testimony Only

#### Comments:

#### I OPPOSE SB 3335 SD2

I respectfully request you to use wisdom and courage to please vote NO and to defer the passage of SB 3335.

**Reasons:** The safeguards and requirements that are currently in place and still have to be developed and instituted in "reaction" to other "recreational" products must be embedded within the bill before being seriously considered. Please do not pass a bill that needs future bills to fix the resulting problems. Why? You have enough problems to deal with and will incur more if/when this becomes law.

All the restrictions, safeguards, and requirements currently in place (and being considered) for cigarettes, vape products, and alcohol should be included to be "ahead of the game" and a model for the country to follow. Inevitably, our state (like others who've gone before us and are currently dealing with issues) will have to implement these. A few examples include:

- A way to measure marijuana intoxication levels for impaired drivers as with ETOH.
- Specifics related to the proposed "Hawaii Hemp & Cannabis Authority Board."
- Prioritize decriminalizing processes and implementation first.
- Processes and funding to educate and discourage minors on the hazards, safe use, etc., and from partaking until an adult.
- Restrictions and/or designations of who can authorize use in certain locations (e.g. condos, public areas), employments (e.g. first responders), etc.
- Provide funding and education on the hazards e.g. heart attack, stroke risk, lung cancer, etc.
- Basic requirements for specific employment positions that require full attention to be prohibited from using these products for a specified period before.

Thank you very much for your kind consideration. With all we have going on in our island state, I pray you will have the courage to stand boldly and be the one who voices the requests of the people vs. succumbing to the potential revenue. Sometimes, it's not all about the money.

Submitted on: 3/12/2024 11:36:42 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Richard Collins	Individual	Oppose	Written Testimony Only

### Comments:

I oppose this bill on the foundational structure that the regulation would run through DCCA rather than the Deptartment of Health. While lawmakers have repeatedly said, "We're going to be different than other states," the mere fact that the overseeing entity is profit-driven in its mission gives no credibility to Hawaii being any different than other states. We will also come at this issue from a profit-driven motive, which will put the priority of profits over that of the health of our people. At minimum, the committee should amend the bill to have the Department of Health and the current Cannabis Department oversee the regulatory processes. This will at least, on the surface, set Hawaii up in a way that safeguards harms associated with cannabis use. Without these public health safeguards in place, we're likely to see a plethora of increased harms in our community. For example, the over-promotion of cannabis to youth and other vulnerable populations, cannabis dispensaries in low-income areas and neighborhoods of Native Hawaiian and other communities of color in much high density than that of white and middle- to highincome neighborhoods, candy and fruit-infused products and packaging that is attractive to youth, increases in youth cannabis poisonings, and higher rates of co-morid mental health disorders, to name a few. It is much more likely that the expenses of these harms will outweight any tax profit associated with non-medical cannabis sales. Instead, what is likely to happen is that a few wealthy individuals and organizations will profit from those who will be harmed as a result of this measure. The DCCA will not be concerned with nor do they have the expertise to address these social harms. The Department of Health would at least have the expertise to address these and other social harms associated with states that legalize non-medical cannabis.

I implore you not to pass this measure out of your committee. If you so decide to pass this measure, I strongly recommend you the amend the bill language to strike out DCCA as the lead entity and replace with with the Department of Health for the reasons mentioned above.

Mahalo,

Rick Collins

Pukalani, Maui

Submitted on: 3/12/2024 12:12:03 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Beverly Heiser	Individual	Oppose	Written Testimony Only

#### Comments:

Aloha Chair Tarnas, Vice Chair Takayama, and Committee Members,

I strongly oppose SB 3335 SD2 that would legalize recreational marijuana.

The need for monies does not take precedence over public health and safety. Most of the money made will have to be used for security and enforcement. Monies to set this program up could be better used for worthwhile crops that provide food sustainability and for getting rid of invasive species.

Cannabis is still identified as a Schedule I drug and is illegal under Federal Law. There is no reason for recreational cannabis that provides another way to get high. It does not make any sense to introduce a bill to lower the alcohol level to 0.5 while trying to push recreational cannabis that is worst because there is not way detect the level of intoxication when driving.

I have read the excellent comprehensive report prepared by the Department of the Attorney General, regarding the final draft bill entitled "Relating to Cannabis". The report, submitted for consideration, identifies the serious risks to public safety and health, and addresses safeguards included in the draft bill should the decision be made to legalize recreational cannabis.

The problems and statistics reported that I found to be most troubling are:

- the potential rise in black market and criminal activity,
- the difficulty in determining if someone is driving high,
- the rise in traffic fatalities where drivers tested THC-positive,
- health concerns that cannabis causes harm to the developing brain of youths, and
- calls to Poison Control Centers about children age 5 and under ingesting an edible variety increased from 207 in 2017 to 3,054 in 2021, a 1,375% increase.

Another concern is the inhalation of second-hand marijuana smoke. As quoted from an article referenced in the report, "Secondhand marijuana smoke and kids", by Claire McCarthy, MD, Senior Faculty Editor, Harvard Health Publishing......

"Studies show that when you are around someone who is smoking marijuana, the smoke gets into your system too. How much of it gets in depends on how close the person is, how many people are smoking and how much, how long you spend near them, and how much ventilation there is in the space. But research is clear that cannabinoids, the chemicals that cause the "high," get into the bodies of people nearby — including children."

When neighbors smoke the smell enters our house. Getting out of my car, I smell it in the parking lot, and I have seen individuals smoking in their cars, so people are driving and using. There is no way to control this. Walking around the block I smell it in the air by certain houses.

Recreational cannabis can and does create problems in families, and THC does create tolerance that will lead some to experiment and use other drugs. No one needs the additional stress and physical and mental abuse this creates.

I cannot support something that is known to cause harm to others, especially our youth, children and families.

Please take the report by the Department of the Attorney General that identifies the risks to public health and safety seriously, and oppose SB 3335.

Thank you for the opportunity to testify.

Submitted on: 3/12/2024 12:26:45 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Jackie Keefe	Individual	Comments	Written Testimony Only

#### Comments:

Aloha Chairs Tarnas and Asuega Gates, Vice Chairs Takayama and Kahaloa and Members of the Committees on Judiciary & Hawaiian Affairs and Agriculture & Food Systems,

I am writing today to provide comments on SB3335.

While I believe it is urgent to pass a cannabis legalization bill, I also believe it's imperative to ensure we're doing it correctly! Kala mai for my long testimony - it's not even close to matching the length of the bill!

Hemp regulation standards are already established by 2018 Farm Bill that federally legalized hemp, including procedures for testing the TCH concentration levels and disposing of noncompliant plants. If there are companies who are striving to produce THC levels higher than .3%, they should be subject to lose their licensure rather than penalizing the rest of the industry. There is no reasoning for a state to enact a law grouping substances together when one is federally legal and one is not. The proposal to add these hemp regulations directly opposes the intent set within the 2018 Farm Bill to "help expand the production and sales of domestic hemp." The USDA delegated hemp control to the Department of Agriculture, not the Department of Commerce and Consumer Affairs. These added regulations would also negatively affect kanaka farmers, as their interest in hemp is not for the seeds alone but rather using the whole plant as a means towards the production of materials like hemp-crete, bioplastics, and jet fuel as well as advanced medicines. You should implement the seed-to-sale concept for all hemp products, therefore allowing you to track which are used for medicinal purposes and which are used for materials. This would help to alleviate the unnecessary punishment towards the current hemp farmers, who are still in the early stages of standing up their industry.

Under Part VI, A-71 it is required that those doing business with hemp retain a license, but this should only be mandated of those who plan to make products out of the seeds. (And for that part of the business. Many kanaka farmers are working on a holistic approach to using hemp products.) It complicates things that there are kanaka farmers who make medicine alongside their intentions to make these products. Those who are striving to improve the quality of life for residents of Hawai'i through green initiatives mentioned above should not be subjected to additional licensing burdens.

This "sister-state" approach to legislation ignores the distinct differences between Hawai'i and the rest of the country, including the loss of land and resources of generational kanaka families

and the disparities created by this. This bill starts off talking about social equity, and we need to ensure that it is indeed a priority. The authority established should be a cannabis authority, not a *hemp and* cannabis authority. Choosing to wait 18 months to prepare give priority to the non-Hawai'i corporations that currently control our entire medical industry. There is no reason that this law should not go into effect no later than January 1, 2025.

I would like to see a more democratic board appointment process, as we need to ensure that kanaka are being prioritized. The State's history with medical licenses is proof that it is easy for kanaka to be locked out of these spaces, and the Governor having full approval of the positions gives me pause. He ran on a pro-legalization platform two years ago but has had both an AG and DOH that opposed legalization. There needs to be a requirement to have a kanaka on the board. The same is true for the advisory – what qualifies the Governor to choose these fifteen people? Where are the requirements for including kanaka participation?

The social equity program established by the board is insufficient. While I appreciate the funding designated by the industry to support this type of program, we need to ensure that we're bringing those who have been marginalized into this new industry as well.

Page 94, Section A-63 proposes that any person arrested or charged can petition the AG for expungement, but we need to make this automatic. There is no need to add additional burden onto these marginalized communities and this is a system that can be automated. Additionally, these are folks who have the potential to do great things for this new industry and we should do our best to bring them in.

Page 47 (4) VAGUE

# Page 50 (22) MAJOR SUPPORT OF THIS STATEMENT!

Page 53, line 17, (2) – this seems unnecessary. We don't have this same thing for alcohol, and those who drink cause far more of a nuisance than those who partake in cannabis. Seems like a subsection to criminalize when we don't like if someone is smoking. These funds should be going towards something other than additional criminalization.

Page 55, line 10(2) - I would like to stress that this needs to be *all* substance abuse, not just cannabis.

Page 58, lines 7 & 15 – this seems to legalize discrimination, which is unacceptable. Officers should not be able to make arrests just because they suspect someone has committed or is committing a crime.

Page 60, line 1 – we need to ensure there is equity among the "unlimited unannounced audits." Having worked in restaurants and therefore being very familiar with the Liquor Commission, I understand that there are certain places that always get approached and some that never do. If you decided to keep this line in the bill, you must put a fairness clause at the end. For example:

"Be subject to an annual announced inspection and unlimited unannounced inspections of its operations by the authority but no more than 3 times more than they've visited another licensee;..."

**Residency requirement** should be raised to 10 years. Those out of state residents who got all the medical licenses over our kanaka farmers have been here for 5 years already. Priority should be given to kanaka and locals alike, who practice aloha 'aina methods. *Most of these mainland companies have chemical and improper waste disposal procedures*. We need to ensure that our Hawai'i products have the unique quality offered to them by ensuring that our farmers **use aloha** 'aina methods to grow.

Since this bill mentions the need to prioritize social equity, I feel the need to ask why there is so much use of background checks..? What is the point of having someone do time if not to allow them to reenter the workforce to become a productive member of society? Is that not the purpose of this "rehabilitation?"

Thank you for your consideration.

Jackie Keefe

## Testimony

#### **IN SUPPORT**

SB3335, SD2 - Relating to Cannabis

Aloha Chairs Tarnas and Gates,

My name is Hiwa Ka'apuni and I am from Pi'ihonua in Hilo on the island of Hawaii writing to express my support of bill SB3335, relating to cannabis.

After being controversially subjected to U.S law, Hawai'i underwent the criminalization of cannabis and has since had to deal with the continued war on it with both racial and capitalistic driving forces. Like many others born and raised in Hawai'i and of other native cultures, I grew up witnessing strong advocacy for and normalization of this plant and I continue to recognize the many ways it helps to heal and benefit my own family and community.

More than 80% of Hawai'i voters are in support of safe and guided access to cannabis for responsible adult use. While medical access to cannabis has, since 2016, existed well here in Hawai'i, a maximum of only eight medical dispensary licenses throughout the state with some of the most stringent and expensive compliances does not allow the law to reach its potential for access to medical cannabis at all.

This legal but very limited framework for medical access to cannabis still ceases to minimize patient dependency on the illicit market here in Hawaii. If anything, it has only further encouraged unlicensed local consumers and growers alike to leave home or retreat underground where cannabis products of uncertain composition are sold illegally; no rules, no tax, no standard. This bill can set forth quality assurance practices like monitored cultivation, accurate labeling and batch testing from seed to sale, further ensuring that any possible health risks of cannabis use here in Hawai'i are minute compared to two widely used legal substances: alcohol and tobacco.

If our community leaders truly wanted to protect our keiki, they would support this measure which seeks to provide stronger enforcement that would reduce the risk of illicit sales of unknown products.

Additionally, this measure would establish a new 14% cannabis tax. Together with GET as well as income and corporate taxes, the bill has the potential to provide a significant revenue stream for the state by a nearly projected \$40 million within the first year of initial sales and over \$100 million per year when the industry fully matures. These are funds that may go towards providing more health care, creating comprehensive substance abuse and drug education for youth, prioritizing public safety, resourcing education and local governments— none of which need to be consumers to be stakeholders.

SB3335 would also transfer staff and funding of the Office of Medical Cannabis Control from the Department of Health to the newly formed Cannabis Authority, which would provide the resources necessary to implement an adult-use cannabis regulatory program without further funding. This approach would be consistent with initial funding levels other states have provided to launch their regulatory programs for adult-use.

I hope to continue helping to educate others about this plant and further dismantle the mountain of misinformation on adult cannabis use that society and the government has built over the past 100 years. I encourage you all to continue the effort to normalize the regulated use of cannabis so everyone may arrive to it safely if they choose to.

Mahalo nui,

Hiwa Ka'apuni

Submitted on: 3/12/2024 1:31:48 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>		Organization	<b>Testifier Position</b>	Testify
	Fanchon Keamo-Young	Individual	Oppose	Written Testimony Only

# Comments:

I oppose this bill and I will continue to pray for our LEADERS to LEAD standing for our people in Truth/Honesty and Grace!

<u>SB-3335-SD-2</u> Submitted on: 3/12/2024 1:49:41 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Lillian Coltin	Individual	Oppose	Written Testimony Only

# Comments:

Will create problems and confusion

Submitted on: 3/12/2024 1:59:22 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Albert L Bolosan	Individual	Oppose	Written Testimony Only

#### Comments:

I am opposed to this bill.

I believe THC should be kept as a Medical Resource for people with qualifying illness.

As a parole officer, I have seen clients Use THC products to alleviate their pain. However, their overall health degraded, their wieght increased, they were lethargic, and their quality of life declined. The clients Doctor had to call me to help the parolee discontinue use of THC.

This is not my first experience seeing THC affect my clients negatively. IT IS A GATEWAY DRUG, leading to more drug use like Meth, cocaine.

Thank you,

Parole Officer Albert Bolosan

Submitted on: 3/12/2024 3:28:00 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Robert A Cravalho	Individual	Oppose	Written Testimony Only

#### Comments:

Aloha! Thank you for this opportunity to testify against SB3335 SD2. Nothing good can come out legalizing marijuana in Hawaii. I recently attended a lecture by a Colorado Law Enforcement Officer titled, "Colorado 10 Years Later" concerning the negative impact legalizing marijuana for recreation use had on that state. As you know, Colorado legalized recreation use of marijuana in 2013 and they are now regretting that decision. It was pointed out how a large majority of states who were considering this same action, decided not to move forward, and for good reason. Legalization makes it difficult for our law enforcement as there are too many loopholes for growers to use to thier benefit. Testing becomes increasingly difficult with a large number of plants. There is no way to address the potency of the marijuana. Visitors flocked to Colorado for the wrong reasons; to get high. Colorado has more dispenseries than they have McDonalds and Starbucks combined. Most users will not purchase from a dispensary because the price is too high with the taxes. They would rather purchase from the black market where the cost is more affordable. After legalization, alcohol consumption went up in Colorado. Kids were poisoned by edibles. Colorado ranked last in the nation when it came to mental health and #1 when it came to adults with mental disorders. Fatal traffic accidents increased as well as the crime rate. Legalization also increased human trafficking. There are environmental impacts as well: use of water and electricty increased and the use of pesticides killed off local wildlife. Our Japanese visitors will no longer want to come to vacation in the islands as they are very conservative. Can you imagine enjoying the beach with your children only to have the smell of marijuana in the air, coming from the group on the beach next to you? This is not a good idea, so don't pass the legalization of marijuana here in Hawaii. Mahalo!

Submitted on: 3/12/2024 4:05:19 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Sandra Suan	Individual	Oppose	Written Testimony Only

#### Comments:

I kindly ask that you vote NO on SB3335 SD2 Relating to Cannabis for the hearing on Wednesday.

Marijuana use will increase if it is made available. Hawaii's children and youth will be the ones who will suffer the most. Hawaii already has a higher-than-average youth usage of ecigarettes. With the legalization and subsequent accessibility of marijuana, they will be curious and there will be increased use amongst our keiki. In addition, states that have legalized marijuana for recreational purposes have seen an increase in children being brought to emergency rooms.

Thank you for your consideration.

Submitted on: 3/12/2024 5:23:55 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Elisabeth Bluml	Individual	Oppose	Written Testimony Only

#### Comments:

Aloha,

I am writing today to ask you to please veto SB 3335 SD2, the bill for recreational marijuana.

We have lived in an agricultural zoned area in Kula, upcountry Maui for over 25 years.

With the hemp pilot program being introduced in 2020, a "new neighbor" who had purchased 4,5 acres in the middle of our community, started his cannabis cultivation, the same cultivation practices as for marijuana.

Cannabis cultivation requires much more water and "sun light", compared to traditional Agricultural businesses and should be classified industrial!

This kind of operation produces:

- -constant electric noise 24/7 from aeration fans and low frequency vibrations that exceeded World Health Organization's limit 4 times.
- -relentless stink of cannabis that permiated our homes with families, elderly and children,
- -excessive night-lights,
- -toxic emissions from a Diesel generator.

It made our neighborhood look like an industrial area, and several people vacated their homes, because it became unlivable.

This can happen to neighborhoods without the right regulations if recreational marijuana and additional growing sites are allowed.

The effects on excisting communities can be extremely harmful.

Please veto this bill, as it possibly will negatively impact many Hawaii communities!

Thank you for your time!

Best Regards,

Elisabeth Bluml

Khandro Farm

1195 Omaopio Rd,

Kula, HI 96790

Submitted on: 3/12/2024 5:54:00 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
karen kimura	Individual	Oppose	Written Testimony Only

#### Comments:

Aloha,

As a lifelong resident of Hawaii, I am pleading with you all to keep our keiki and community safe from the ill effects that are inevitable with the passage of SB3335, This bill opens so many doors to access for young people who will likely go on to using more potent and life althering drugs. Consequesnces of marijuana usage impacts so many aspects of our community including crime, education, safety, Car accidents have increased in states where recreational marijuana is legal due to impaired driving.

Please .... for the sake of our keiki and more, do not allow thie bill to become law.

Mahalo,

Karen Kimura, retired teacher

Submitted on: 3/12/2024 9:32:27 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Eli Onderko	Individual	Support	Written Testimony Only

# Comments:

Aloha Chairs and Committee Members,

I am writing in strong support of SB 3335. I support any and all legislative action moving towards the legalization of recreational cannabis use.

Mahalo for your consideration, Eli Onderko Ewa Beach TO: Members of the Committees on Judiciary & Hawaiian Affairs

and Agriculture & Food Systems

FROM: Natalie Iwasa, CPA, CFE

808-395-3233

HEARING: 2 p.m. Wednesday, March 13, 2024

SUBJECT: SB3335, SD2, Cannabis - **OPPOSED** 

Aloha Chairs Tarnas and Gates and Committee Members,

Thank you for allowing the opportunity to provide testimony SB3335, SD2, which would legalize the use of cannabis under certain situations, among other things.

This bill has gone from 9 pages originally to now over 300. Frankly, I don't know how you would have time to review this entire bill, given all of the other bills you need to read and understand and the timeframe under which this amendment was provided.

My main opposition to this bill, however, lies with the fact that this policy of legalizing a drug that the federal government continues to list as a Schedule I substance under the federal Controlled Substances Act puts law enforcement in an awkward position at best.

Our police officers and other enforcement agents are required to uphold the law, but having conflicting laws requires them to decide which law to uphold. **This is not good public policy.** 

Please **vote "no"** on SB3335, SD2 or defer the bill in committee.

# Testimony for SB3335 SD2 Relating to Cannabis

Dear Chair and Members of the Committee.

I would like to submit testimony in support of Senate Bill 3335 SD2, "Relating to Cannabis". I appreciate the opportunity to provide information on this topic.

SB3335 SD2 needs to move forward to continue the conversation around community and cannabis.

In advancing this bill you will provide the opportunity to continue to work on this bill to become more serving and considerate of the community.

As much as I would rather talk about the many ways cannabis can help, it seems that certain topics are preventing the ability to move forward around safety and crime.

Regarding safety for youth. The legal cannabis market in 38 states, 3 territories and the District of Columbia have programs that require child safe considered packaging and have educational awareness initiatives that help bring cannabis education out of the dark. With standardized child-safety packaging, the contents are far less likely to be used illicitly unlike a pack of cigarettes or a bottle of alcohol which are easily accessible to children requiring no child-safe packaging or container. Imagine that.

Regarding driving while impaired. The standard impairment test should be sufficient in determining motor skills and the ability to operate heavy machinery. As a concerned citizen, I would hope that anyone that is incapable of driving whether on opioids, alcohol, caffeine, kava, cannabis, orange juice or water be considered impaired if they are not fit to drive. Please reconsider using any THC blood amounts to determine impairment as each person has an endocannabinoid system that responds differently to cannabinoid products based on many variables like diet, sleep, age, hydration and experience.

Regarding the rise in crime. Recently the FBI reported a 28-Year Low with a 58% decrease in Cannabis Possession Arrests in 2022 after creating a state authorized cannabis program in Missouri that includes many types of licenses and entry points for the community to participate including social equity programs.

According to data published in the journal Annals of Regional Science, researcher Justin Tyndall University of Hawai'i Economic Research Organization and Department of Economics and Xiuming Dong of John Hopkins University concluded that Cannabis retailers are not linked to spikes in crime when studying Washington State. <a href="https://norml.org/news/2023/10/12/analysis-marijuana-retailers-not-linked-to-spikes-in-crime/">https://norml.org/news/2023/10/12/analysis-marijuana-retailers-not-linked-to-spikes-in-crime/</a>

Furthermore, NORML has also put out an information sheet that has multiple resources stating more evidence that not all the data supports increase in crime with the expansion of a state-authorized legal cannabis market.

# NORML-Factsheet-Marijuana-Regulation-and-Crime-Rates.pdf

I'd like to also offer a link referring to the Patent awarded to the United States of America Health and Human Services titled "Cannabinoids as Antioxidants and Neuroprotectants" US6630507 B1 which considered cannabinoids to have health benefits.

# https://pubchem.ncbi.nlm.nih.gov/patent/US-6630507-B1

Cannabis has been cast as an enemy long enough. It is time to embrace the possibilities to create jobs, a sustainable industry around hemp building, hemp-plastic, hemp homes for the homeless, education for law enforcement to regulate less, tax to help educators, first responders, and create carbon offsets to help the environment.

The opportunity to lead the nation in cannabinoid research for Alzheimers, Epilepsy, Parkinsons, Cancer, and other diseases can be developed here in Hawai'i.

It is very hard for the majority of people to come out in support of this as no pre federal exemption for state-authorized use of cannabis has been filed or requested and the stigma surrounding cannabis.

The legislature should know that naturally there would be less actual testimony because of the nature of the topic and process, especially in favor of cannabis while still being in schedule 1. Of those that do testify, a healthy amount of cannabis advocates are in opposition because of the fine print and details that could potentially imprison them for a positive false impairment test because of a blood the limit and also because of the lack of transparency for the social equity program and how that will be handled.

For the reasons mentioned above, I feel it is important to continue the conversation and make amendments to adjust and improve the ability to serve the community.

Please accept this testimony in support of creating a better working system that creates positive impact and ends the war on cannabis.

Kai Luke

Submitted on: 3/12/2024 11:23:38 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Liam Chinn	Individual	Comments	Written Testimony Only

## Comments:

SB 3335 should invest in Safety, not police. The proposed bill includes funding to hire **more** law enforcement officers. An equitable cannabis legalization regulatory system **should not include increased funding** for more law enforcement positions. Instead, we should invest cannabis tax revenues into proven solutions that help build safer communities such as programs that focus on harm reduction, crisis outreach programs, food banks, mental health support programs, homeless outreach programs, outpatient treatment programs, and housing assistance programs.

SB 3335 should ensure Local Ownership. People who have been harmed by the enforcement of cannabis must have a place in the burgeoning marketplace created by legalization. Cannabis legalization **must** include strong social equity components that ensure local ownership by impacted communities.

SB 3335 should Remedy Harm Caused by War on Drugs. Any outstanding debt for cannbis fines and fees should be forgiven. While fines are financial punishment for an offense imposed at sentencing, fees are intended for revenue collection. **SB 3335 should eliminate any fees** in marijuana enforcement, and ensure that any fines are equitable and proportionate according to the individual's income and severity of the offense.

The Reimagining Public Safety in Hawai'i Coalition is requesting amendments to include a state-initiated record expungement process for cannabis related arrests and convictions. After legalization, nobody should remain incarcerated for prior cannabis offenses, and nobody should continue to face the harmful collateral consequences of a cannabis conviction on their record. To address these systemic harms, legalization must include processes for clemency, resentencing, and expungement that are speedy, state-initiated, and free of cost. People with a cannabis conviction on their record should be able to fully re-integrate into society by accessing the same rights and services as anybody else.

LATE \*Testimony submitted late may not be considered by the Committee for decision making purposes.

# **SB-3335-SD-2**

Submitted on: 3/13/2024 7:03:17 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Blyth	Individual	Oppose	Written Testimony Only

# Comments:

The bill say for "adults" but we know how often children get into the possession of adults. We need to think of the innocent keiki today and generations to come. Let's create a saver tomorrow for them.

once this bill passes there's no turning back

I STRONGLY OPPOSE TO LEGALIZING RECREATIONAL MARIJUANA!

Submitted on: 3/13/2024 8:19:04 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Jessica Mitchell	Individual	Support	Written Testimony Only

# Comments:

Aloha, Cannabis is safer than alcohol and has many proven medicinal properties. Not to mention the state could highly benefit from the tax revenue. ( Please see other states tax revenue from cannabis. ) Its time for Hawaii to legalize. Thank you!

Submitted on: 3/13/2024 8:46:48 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Lynette Honda	Individual	Oppose	Written Testimony Only

#### Comments:

Senators, vote NO on SB 3335 Legalizing marijuana. I do not want my children taught by teachers who choose to smoke marijuana before class each day. I do not want my heart surgeon to smoke marijuana before he operates on me. I do not want to ride on a City and County Bus when the driver chooses to smoke before his shift and during his shift on his breaks and lunch. I fear for the safety of my child, my health and my life and others because you're considering legalizing marijuana. Marijuana is a mind altering drug that compromises one's ability to function. Oppose this bill.

Submitted on: 3/13/2024 8:51:31 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Mary Smart	Individual	Oppose	Written Testimony Only

#### Comments:

Do not pass this bill. Survey after survey the people of Hawaii have rejected making cannabis more accessible. Cannibis is harmful to the health and well-being of our residents. States who have passed similar legislation are now regretting it. Let's learn from their mistakes and not make the same mistake here in Hawaii. Under federal law, cannabis is classified as a Schedule I substance under the Controlled Substance Act, which is being ignored.

Submitted on: 3/13/2024 9:26:27 AM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Alexis Muller	Individual	Comments	Written Testimony Only

#### Comments:

Dear house representatives,

I am writing to submit my professional opinion, drawing from both industry experience and professional expertise, regarding the proposal for recreational cannabis in Hawaii. The potential legalization of recreational cannabis in Hawaii presents a multi-faceted and complex opportunity for the state. It is crucial for Hawaii to leverage the experiences of other states that have implemented similar laws, both successfully and unsuccessfully, in order to make informed decisions moving forward.

The introduction of recreational cannabis in Hawaii has the potential to generate significant profits for the state and stimulate robust economic growth. However, it is imperative that decisions are made strategically to ensure that these profits remain within Hawaii's borders. The benefits of cannabis profits can extend to various stakeholders such as legislators, state departments, universities for research, schools, small farmers, businesses, and dispensaries. To maximize these benefits, it is essential that the laws governing the industry are structured in a supportive manner.

I propose an amendment to SB335 that prioritizes small farmers by drawing inspiration from California's Proposition 64, which aimed to safeguard small farms and retain profits within the state. Under this proposed amendment, each small farmer would be granted up to 1 acre of canopy space and a 5-year head start before licenses are made available to external entities. Eligible farmers must demonstrate residency in Hawaii for a minimum of 5 years. Additionally, cultivation licenses would be accompanied by licenses to sell products to dispensaries, with state-funded testing requirements ensuring product quality and safety.

Furthermore, I recommend the establishment of an accredited testing lab by the state. This initiative not only supports quality control but also creates opportunities for STEM jobs and

state-run programs that offer better-paying employment options for residents of Hawaii. By having surplus cannabis products available through small farmers, dispensaries can alleviate production pressures and maintain an adequate supply for both medical patients and the recreational market.

In conclusion, I urge careful consideration of these proposed amendments to SB335 as they aim to foster a sustainable and inclusive recreational cannabis industry in Hawaii. By prioritizing small farmers and implementing robust testing standards, we can create a thriving ecosystem that benefits all stakeholders involved.

Thank you for your attention to this matter.

Sincerely,

Mahalo,

Alexis Muller

808-386-7425

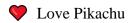
Submitted on: 3/13/2024 2:21:57 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

Submitted	l By	Organization	<b>Testifier Position</b>	Testify
Shelby Billi	onaire	Hawaiian Kingdom Task Force	Support	Written Testimony Only

#### Comments:

I support this bill, however you will need someone like me to help regulate the 420 industry in the 4 counties, 52 districts, and 250+ precints to prevent smugglers, triad, and black money from taking over the market and protecting local growers/farmers for La'au lapa'au purposes, protected under HRS 7-1, HRS 1-1, and the 1st amendment freedom of religion. You need people smart and who know the street to do QC & Qualithy Control. Were talking about Kilograms of product and a billion dollar+ industry. Be akamai. Put me in Charge of regulating the Entire Hawaiian Islands H.I., were already approved as a NHO (Native Hawaiian Organization) under the U.S. Department of Interior.



@Shelby Keiki'okalani Billionaire

Submitted on: 3/13/2024 2:23:48 PM

Testimony for JHA on 3/13/2024 2:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Michael Golojuch Jr	Individual	Support	Written Testimony Only

Comments:

Aloha Representatives,

I support SB 3335 SD 2!

Mahalo,

Michael Golojuch, Jr. Civil Rights Activist