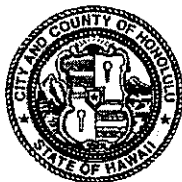


POLICE DEPARTMENT
CITY AND COUNTY OF HONOLULU

801 SOUTH BERETANIA STREET · HONOLULU, HAWAII 96813
TELEPHONE: (808) 529-3111 · INTERNET: www.honolulu-pd.org



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CHIEF

DELBERT T. TATSUYAMA
RANDAL K. MACADANGDANG
DEPUTY CHIEFS

OUR REFERENCE **JI-TA**

March 22, 2011

LATE TESTIMONY

The Honorable Gilbert S. C. Keith-Agaran, Chair
and Members
Committee on Judiciary
House Representatives
State Capitol
Honolulu, Hawaii 96813

Dear Chair Agaran and Members:

Subject: Senate Bill No. 1458, S.D. 2, H.D. 1, Relating to Health

I am Jerry Inouye, Captain of the Narcotics/Vice Division of the Honolulu Police Department.

The Honolulu Police Department opposes Senate Bill No. 1458, S.D. 2, H.D. 1, Relating to Health.

We oppose this bill because marijuana is not considered modern medicine. The smoked form of marijuana is not considered modern medicine because the potency and dosage cannot be controlled. In addition, the quality of the marijuana cannot be guaranteed. There are synthetic forms of tetrahydrocannabinol (THC, the psychoactive ingredient in marijuana) already legally available by prescription (i.e., marinol).

This bill seeks to have the state regulate the distribution of marijuana similar to pharmacies in our community that dispense medicine. Marijuana has a high potential for abuse and can result in addiction. According to the Alcohol and Drug Abuse Division of the State of Hawaii Department of Health, 31.3 percent of those admitted for treatment (adults and juveniles) in 2009 stated that marijuana was their primary substance of abuse.

Serving and Protecting With Aloha

The Honorable Chair Gilbert S. C. Keith-Agaran, Chair
and Members
Page 2
March 22, 2011

Reducing the availability and keeping drugs illegal will lessen the willingness to use them. Regulating these drugs widens the availability and misuse regardless of the controls that are in place.

The Honolulu Police Department urges you to oppose Senate Bill No. 1458, S.D. 2, H.D. 1, Relating to Health.

Thank you for the opportunity to testify.

Sincerely,



JERRY INOUE, Captain
Narcotics/Vice Division

APPROVED:



for

LOUIS M. KEALOHA
Chief of Police

Testimony for SB1458 on 3/22/2011 2:00:00 PM

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Tuesday, March 22, 2011 9:23 AM

To: JUDtestimony

Cc: patnitta7970@aol.com

Testimony for JUD 3/22/2011 2:00:00 PM SB1458

Conference room: 325

Testifier position: oppose

Testifier will be present: No

Submitted by: Iris Nitta

Organization: Individual

Address:

Phone:

E-mail: patnitta7970@aol.com

Submitted on: 3/22/2011

LATE TESTIMONY

Comments:

I do not support this measure as it would adversely affect the people of Hawaii. Many users of drugs such as cocaine and meth have shared that marijuana was the "gateway drug"; that led them to the more destructive drugs.

Testimony for SB1458 on 3/22/2011 2:00:00 PM

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Tuesday, March 22, 2011 10:02 AM

To: JUDtestimony

Cc: gizzod@gmail.com

Attachments: Testimony to JUD 3-22-2011.docx (14 KB)

Testimony for JUD 3/22/2011 2:00:00 PM SB1458

Conference room: 325

Testifier position: oppose

Testifier will be present: Yes

Submitted by: Kevin Cheney, Dylan Shropshire

Organization: Individual

Address:

Phone:

E-mail: gizzod@gmail.com

Submitted on: 3/22/2011

Comments:

LATE TESTIMONY

Representative Gilbert Keith-Agaran, Chair
Representative Karl Rhoads, Vice Chair and members of the
Judiciary Committee
SB1458 SD2 HD1 Relating to Health

Hearing: Tuesday, March 22nd, 2011 at 2:00pm; Room 325

Opposition in Current Form
Aloha,

It is with a truly heavy heart that we must submit this testimony in opposition to SB1458 SD2 HD1. SB1458 was a great bill in its original form and was made better in SD1 and SD2. The Senate version would have increased access to safe medicine for thousands of Hawaii medical marijuana patients while putting into place a regulated, taxed, and safe system of dispensaries. Unfortunately, House Draft 1 of SB1458 stripped all of this out of the bill and instead inserted a 5 year trial run on Maui.

A trial period is not a bad idea on its own but the timing is simply too late. The time for a trial period was 11 years ago when Hawaii led the nation by becoming the first state to legalize the medical use of marijuana. We could have tested the waters with a trial run on dispensaries then but we chose not to. Fast forward 11 years and the need for a trial period no longer exists. Dispensaries have operated in California, granted they are unregulated, for years with little to no harm to their communities. Colorado has had dispensaries for 2 years in a completely regulated environment with much success. Arizona's fully regulated program begins in April. New Mexico's program allows regulated dispensaries. Rhode Island and Maine will be opening dispensaries shortly. These states were the trial programs and the facts don't lie. In these states marijuana has been taken off the black market and put into a regulated and controlled environment while providing these cash-strapped states with crucial sales tax revenue.

Indeed, passing this bill will create a trial period but it won't be for dispensaries. It will be the continued trials and tribulations for Hawaii's medical marijuana patients who are forced to turn to drug dealers to get their legal medicine. It will be the continued trials of criminals growing marijuana on public land rather than in clean, secure, and controlled warehouses. We made the right choice eleven years ago when we recognized the medical use of marijuana. Please make the right choice today by treating marijuana like medicine instead of an illegal street drug. We strongly urge this committee to amend this bill back to its SB1458 SD2 form. Thank you for this opportunity to testify.

Testimony for SB1458 on 3/22/2011 2:00:00 PM

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Tuesday, March 22, 2011 10:51 AM

To: JUDtestimony

Cc: ktaggart@hawaii.rr.com

Testimony for JUD 3/22/2011 2:00:00 PM SB1458

Conference room: 325

Testifier position: support

Testifier will be present: No

Submitted by: Kerry Taggart

Organization: Individual

Address:

Phone:

E-mail: ktaggart@hawaii.rr.com

Submitted on: 3/22/2011

LATE TESTIMONY

Comments:

The House version is needlessly restrictive (experience in Colorado and New Mexico has shown that states can regulate dispensaries without the need for a "pilot project") and the proposed 30% tax is ridiculous and exorbitant for a medicine not covered by insurance (standard excise tax would be more appropriate). Let's be honest here: the House version is just trying to further obstruct the will of the people and the inevitable trend, and it's wasting money the longer these delaying tactics are used. Medical marijuana patients have a reasonable right to purchase their prescriptions from an approved source, not suddenly have to learn farming or risk the black market. The Senate's vision of regulated dispensaries throughout the islands, not just on Maui, would allow plenty of control for the state--isn't that a main concern for law enforcement. We need to go forward with this and stop the foot-dragging.

Testimony in opposition to SB 1458 SD 2 HD1 relating to health

March 22, 2011

12:00am, Room 325

TO: Committee on Judiciary
Rep. Gilbert Keith-Agaran, Chair
Rep. Karl Rhoades, Vice Chair

Fr: Mark Kaeo, intern at
Coalition for a Drug Free Hawaii
1130 N. Nimitz Hwy, Suite A-259
Honolulu, Hi 96817

LATE TESTIMONY

Aloha,

My name is Mark Kaeo and I think that this medical marijuana bill might not be a good thing. The reason why is because I came out of prison in 2002 and I spent five years in federal prison. I went to prison for "ice", which I started doing after cocaine, acid, somas, and heroin. It all started with marijuana and it didn't stop till I went to prison. I was 15 years old when I started selling drugs because everybody was growing it. Back then it was just like it was legal, but it wasn't. Plus if you open one of those dispensaries are people with the certificates still allowed to grow their own marijuana plus buy it? It states in the bill that the dispensaries are allowed to keep 7 ounces per person. If they can grow their own so why carry so much?

Testimony for SB1458 on 3/22/2011 2:00:00 PM

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Tuesday, March 22, 2011 11:54 AM

To: JUDtestimony

Cc: bob-flabetich@hawaiiantel.net

Testimony for JUD 3/22/2011 2:00:00 PM SB1458

Conference room: 325

Testifier position: oppose

Testifier will be present: No

Submitted by: Karen

Organization: Individual

Address:

Phone:

E-mail: bob-flabetich@hawaiiantel.net

Submitted on: 3/22/2011

Comments:

Thank you for keeping drugs out of the reach of our youth.

LATE TESTIMONY

SB1458

Establishment of Compassion Centers

March 2011

Aloha!

I would like to Thank You for receiving my words.

They call me "Pittsburgh". My business is Kahuna Compassion Consulting LLC.

I have done research around the world for over 20 years and worked with the people in The Netherlands watching the changes over the past 15 years for the better. Also witnessed what did not work in Belgium and Switzerland including the flaws on the mainland.

In support of SB1458, some flaws, several gray or missed areas need added and/or changed.

CANNOT BE NON-PROFIT ENTITY - This tells me you're hiding money not paying taxing on all income.....Cheating the State, The County, The City & The People...

Also tax paying and reporting, Three Strike Rule for violations, Security, Advertising, my PITS computer system and a few other minor changes needs to be addressed.

Will not waste your time with details today, so I offer my services and experience to fix what could be the role model system for the Nation.

We can have the perfect bill in 3 days time, no mistakes, so we can move forward for the people and the Great State of Hawaii..

In conclusion, again, A NON PROFIT entity shall not be issued a license of any class...

Mahalo.

"Pittsburgh"

Kahuna Compassion Consulting LLC

Kihei Hawaii 96753

(808) 222-2916

KahunaConsulting@yahoo.com

LATE TESTIMONY

Kahuna Compassion Consulting

The following is an outline which can be broken down into true facts that make Maui the perfect place for a role model controlled system. Kahuna Compassion Consulting has worked around the world taking the best and leaving the rest in all areas of business forming it to fit Hawaii..

Maui

Use Maui as text book for Compassion Centers.
Kahuna Compassion Consulting
example: **dba: "Maui Compassion Center"**
Also Maui perfect for leading the nation/world in hemp farms.
(the county/state who acts first will benefit most with hemp) Start Yesterday
Hemp will jump start jobs and economy overnight...

Revenue

Proposed tax structure is flawed.. Additional first year taxes.
(direct to education, housing, law enforcement/fire, water, recycle & roadways)
Cannot Be Non-Profit Organization!!! (asking for loss revenue...)

Pre-Op

Registration (Pre-registration is vital for the start of the first & each center)
(this is most important for the farmers - sub-contractors)
Botanist
Cost

Netherlands

Kahuna Compassion Consulting LLC has gathered info and worked in/with Netherlands.
A 14 year study results in Coffeeshops, Bar & Restaurant operations, Public & Violence
Changes improvements over the decades for the prime operation and system...
I, Pittsburgh, founder of Kahuna Compassion Consulting, wish to do for Hawaii as it
has done for me...

Note: Cannabis is not legal in the Netherlands, however, they have a system which works..

SB1458

Establishment of Compassion Centers

April 2010

CANNOT BE NON-PROFIT ORGANIZATION - This tells me you're hiding money not paying taxing on all income.....Cheating the State, The County, The City & The People...

License approval committee.

Compassion Center Start-Up Guidelines

Class 1 License install my PITS computer program

Class 2 License pre-registration with Compassion Center 6 months prior to opening.

Card Holder pre-registration 3 - 6 months prior to opening.

Schedule appointments for 1st month opening.

Three (3) Strike Rule

Violations with a 3 strike rule that could result in a Fine, Suspension and/or loss of Compassion Center license.

Sale to a minor (under 21)

Sale to a non-card holder

Hours of operation

Inventory quantity

Failure to pay taxes on time (monthly or quarterly) not annual...

Paperwork reporting (monthly or quarterly)

Security

Advertising

Red Flag Purchase

PITS Computer Program

Notifies if cardholder purchases exceed limit (this helps eliminate street re-sale)

Security Requirements

Front door security, I.D. and medical card check.

This should be a hired off duty or retired police officer or security company.

Inventory & Deliveries

Inventory Delivery Times - On hand quantity - Class 2 License suppliers

Advertising Guidelines

Restrictions - Television, Radio, Direct Mail, Print

Physician

Required consulting physician available

Maui Pilot Compassion Center

Establish one center on Maui.

After 3 - 6 months establish one center on Big Island.

After one year open additional 1 - 3 on Big Island, 1 Maui & 1 on Oahu.

Zero Class 3 License issued for 5 years

SB1458 Class 1 & 2 License

Monthly cost, revenue & break-even analysis

March 2011

Class 1 License

License Fee \$20,000

Wholesale & Retail ounce (unit) price.

retail	350		350
30% tax	105	60% tax	210
wholesale	125		125
netnet	125		15

Break-even unit sales 152.4 1270

Members	500		
Units Sold	2000	tax 105	210,000
		tax 210	420,000

Education, Law Enforcement, Recycle and Roads

Monthly Cost

Rent	3500
Utilities	2350
Ins.	250
Security	3225
Labor	8125
Supplies	1350
Acct.	250
	19050

624hrs

Retail Price Guide

per	Cost	
ounce	350	12.5
1/2 ounce	200	14.3
1/4 ounce	120	17.1
1/8 ounce	70	20
1 gram	25	25

Inventory

500 ounce per week Only 13 different strains in a shop.
 requires 125 plants per week
 requires 16 class 2 license (62.5 plants per farmer)
 (at 50 plants per, requires 20 class 2 license)

Class 2 License

License Fee \$10,000.

Wholesale	Tax %	Tax \$	Net
125	20%	25	100

unit sales 284.75
 71.2 plants
 284.75 x 14.05 = 4000 units
 99 plants = 396 units (per 8 weeks)

Rent	5500
Utilities	7725
Ins	250
Security	8800
Labor	2650
Supplies	3300
Acct.	250
	28475

10 Class 2 License required

$$500 \times 3 = 1500 \quad 1500 \times 4 = 6000$$

$$1500 / 99 = 15.2$$

Zero Class 3 License issued for 5 years

Testimony for SB1458 on 3/22/2011 2:00:00 PM

mailinglist@capitol.hawaii.gov [mailinglist@capitol.hawaii.gov]

Sent: Tuesday, March 22, 2011 1:18 PM**To:** JUDtestimony**Cc:** brownpunabud@gmail.com**LATE TESTIMONY**

Testimony for JUD 3/22/2011 2:00:00 PM SB1458

Conference room: 325
Testifier position: support
Testifier will be present: No
Submitted by: Roger Brown
Organization: Individual
Address:
Phone:
E-mail: brownpunabud@gmail.com
Submitted on: 3/22/2011

Comments:

I'm writing in hopes that logic will win at the end of the day. Folks, these dispensaries are called compassion centers for a reason. But if you go through with the House's version of SB 1458 which calls for a ridiculous 5 yr. pilot program attached to it. How can you pick one island to represent all of Hawaii? Where is the compassion there? No, I purpose we go with the Senate's version of SB 1458

How can you folks justify putting a 30% tax on the dispensary? Keep in mind the majority of these folks like myself are sick individuals looking for relief of pain. We are not looking to get high! As for the tax, sick people should not be taxed for their meds. Or should I say nothing beyond state sales tax should be imposed on sick medical cannabis patients!

I'd also like to express at this time that we now have an opportunity to help our state coffers with this new & exciting industry. Let us not shoot ourselves in the foot. Right in front of you, the lawmakers is a Goose who will give us a 'golden egg', if we don't blow it! 30% tax, what are you people thinking? Where is the compassion there?

WE don't need a 5 year pilot program. Our state needs extra revenue and it needs it now! Plus the states medical cannabis patients want a safe access to get their meds.

If, and only if it had to be only one dispensary. It is in my opinion that it should set up so that all island have several dispensaries, especially the Big Island where more than 57% of all registered medical cannabis patient reside.

I urge you all to move forward with the Senate's version of SB 1458. Let's stop the right wing nonsense and move forward inot the 20th century

sincerely,

Roger Brown
15-1704 3 rd. AVe.
Keaau, Hi. 96749