

HOUSE RESOLUTION

REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO CONDUCT A STUDY ON THE POTENTIAL REVENUE TO BE GENERATED FOR THE STATE THROUGH THE LEGALIZATION AND REGULATION OF RECREATIONAL CANNABIS.

1 WHEREAS, recreational cannabis has been legalized in 2 fifteen states and the District of Columbia; and 3 4 WHEREAS, Colorado was the first state to remove the 5 prohibition on commercial production of cannabis for general 6 use; and 7 8 WHEREAS, Colorado collected \$67,594,323 from medical and 9 retail cannabis taxes and fees during its first year of retail cannabis sales in 2014 and \$302,458,426 in 2019; and 10 11 12 WHEREAS, since it legalized and started to regulate recreational cannabis in 2014, Colorado has collected a total of 13 14 \$1,456,299,835 in state tax revenues as of February 2021; and 15 16 WHEREAS, according to the Marijuana Policy Project, other 17 states have also generated significant state tax revenues from adult-use sales, with Washington generating \$2,269,633,880, 18 California generating \$1,811,300,000, and Oregon generating 19 20 \$497,279,214 to date, excluding medical cannabis tax revenue; 21 and 22 WHEREAS, according to the Marijuana Policy Project, as of 23 February 2021, states reported a combined total of 24 \$6,900,000,000 in tax revenue from legal, adult-use marijuana 25 26 sales; and 27 WHEREAS, the COVID-19 pandemic disrupted Hawaii's economy, 28 29 resulting in an anticipated budget shortfall of \$1,400,000,000 30 per year for the next four years; and

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1 WHEREAS, it is necessary to create new sources of revenue to allow the State to meet its strategic goals, preserve 2 3 essential services, and prevent program cuts and pay reductions 4 for working families; and 5 WHEREAS, the legalization of cannabis for personal or 6 7 recreational use is a natural, logical, and reasonable outgrowth 8 of the current science of and public attitude toward cannabis; 9 now, therefore, 10 BE IT RESOLVED by the House of Representatives of the 11 Thirty-first Legislature of the State of Hawaii, Regular Session 12 13 of 2021, that the Department of Business, Economic Development, and Tourism is requested to conduct a study on the potential 14 15 revenue to be generated for the State through the legalization and regulation of recreational cannabis; and 16 17 18 BE IT FURTHER RESOLVED that the Department of Business, 19 Economic Development, and Tourism is requested to consult with 20 the Hawaii Strategic Development Corporation, University of Hawaii Economic Research Organization, and Hawaii Cannabis 21 22 Industry Association in conducting the study; and 23 24 BE IT FURTHER RESOLVED that the Department of Business, 25 Economic Development, and Tourism is requested to submit a report of its findings and recommendations from the study, 26 27 including any proposed legislation, to the Legislature no later 28 than twenty days prior to the Regular Session of 2022; and 29 30 BE IT FURTHER RESOLVED that certified copies of this 31 Resolution be transmitted to the Director of Business, Economic 32 Development, and Tourism; Chairman of the Board of Directors of the Hawaii Strategic Development Corporation; Executive Director 33 34 of the University of Hawaii Economic Research Organization; and Executive Director of the Hawaii Cannabis Industry Association. 35 36 37 38 OFFERED BY:

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