

# Office of the Public Defender State of Hawaii



#### Testimony of the Office of the Public Defender, State of Hawaii to the Senate Committee on Public Safety, Intergovernmental and Military Affairs

February 16, 2021

#### S.B. No. 767: RELATING TO CANNABIS

Chair: Sen. Clarence K. Nishihara, Vice Chair: Sen. J Kalani English and Members of the Committee:

The Office of the Public Defender supports S.B. 767. This bill legalizes the personal use, possession and sale of cannabis in a specified quantity, and is a reflection on the modern attitude of our community, and many others throughout our country. This has clearly been demonstrated by the changes in law throughout our country, which have legalized personal use and possession of cannabis, as well as, the medical use of the same which includes Hawai'i.

This bill recognizes personal choice on the issue of cannabis without endorsing or supporting the use of cannabis. This bill also recognizes the need for governmental intervention to regulate this industry for the safety and security of those that participate. Furthermore, this bill outlines the economic benefits for the government and community in general that passage will accomplish, without any danger to public safety. Prohibition leads to criminal behavior and a danger to public safety, especially when a community no longer supports the prohibition.

Lastly, the passage of this bill will allow the Office of the Public Defender, and other government agencies involved in the criminal justice system to use its resources to deal with matters considered more serious by the community in general.

Thank you for the opportunity to comment on S.B. 767

DAVID Y. IGE GOVERNOR

JOSH GREEN M.D. LT. GOVERNOR



#### DEPARTMENT OF TAXATION

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

To: The Honorable Clarence K. Nishihara, Chair;

The Honorable J. Kalani English, Vice Chair;

and Members of the Senate Committee on Public Safety, Intergovernmental, and

Military Affairs

From: Isaac W. Choy, Director

Department of Taxation

Date: February 16, 2021

Time: 1:00 P.M.

Place: Via Video Conference, State Capitol

Re: S.B. 767, Relating to Cannabis

The Department of Taxation (Department) offers the following <u>comments</u> regarding S.B. 767, for your consideration.

S.B. 767 legalizes the personal use and possession of cannabis and authorizes the sale of cannabis at a permitted cannabis establishment. The bill requires the Department to create rules for the licensing of cannabis establishments. The bill provides that cannabis businesses will be subject to income and general excise taxes.

First, the Department notes it has no expertise in regulation of cannabis. The Department is therefore not the appropriate agency to make the rules and determinations authorizing cannabis establishments. Cannabis is still regulated as a Schedule 1 controlled substance under the Controlled Substances Act, 21 U.S.C. ch. 13 sec. 801 et seq. Therefore, the authorization of licensees to sell cannabis is a sensitive matter.

Second, the Department notes that any cannabis establishment will be subject to income and general excise tax. Therefore, the language included in section -10 is not necessary and as written may lead to confusion or ambiguity. The Department recommends deleting section -10 from the bill.

Third, the Department notes that Internal Revenue Code (IRC) section 280E, which denies deductions and other tax benefits to taxpayers selling illegal drugs, is applicable for

Department of Taxation Testimony PSM SB 767 February 16, 2021 Page 2 of 2

Hawaii income tax purposes. However, Hawaii has adopted an exception for its medical cannabis dispensaries. If this bill is moved forward, the Department recommends the Committee consider expanding that exception to apply to the cannabis establishments proposed in this bill.

Finally, the Department is willing and able to collect taxes from cannabis establishments. However, the Department notes that cannabis establishments, like the current medical cannabis dispensaries, will not be able to obtain banking services. Thus, they must pay their tax liabilities in cash. Even for the eight current medical cannabis dispensaries, this cash payment imposes a heavy administrative burden on the Department. Expanding this to recreational cannabis establishments will greatly increase this burden. The Department requests the Legislature explore solutions to this issue before expanding the scope and number of cannabis establishments.

Thank you for the opportunity to provide comments.



# STATE OF HAWAII DEPARTMENT OF PUBLIC SAFETY

919 Ala Moana Boulevard, 4th Floor Honolulu, Hawaii 96814 MAX N. OTANI DIRECTOR

Maria C. Cook Deputy Director Administration

Tommy Johnson Deputy Director Corrections

Jordan Lowe
Deputy Director
Law Enforcement

#### TESTIMONY ON SENATE BILL 767 RELATING TO CANNABIS. By Max N. Otani, Director

Senate Committee on Public Safety, Intergovernmental and Military Affairs Senator Clarence K. Nishihara, Chair Senator J. Kalani English, Vice Chair

Tuesday, February 16, 2021; 1:00 p.m. Via Videoconference

Chair Nishihara, Vice Chair English, and Members of the Committee:

The Department of Public Safety (PSD) offers comments on Senate Bill (SB) 767, which proposes to legalize the personal use, possession, and sale of cannabis in a specified quantity, require licensing to operate cannabis establishments, and subject cannabis establishments to excise taxes and income taxes. The Department has several important concerns over this measure.

First, PSD believes that if SB 767 was to pass into law, then it should specify important places where the personal use of cannabis should not occur, because of either safety concerns or the threat of prosecution. For example, SB 767 should specify that personal use of cannabis may not occur on any public highway, public sidewalk, or in places such as grade schools, parks, and playgrounds, where the personal use of cannabis could increase safety risks for the public and/or be problematical. Moreover, SB 767 should also address the issue of open containers of cannabis within a motor vehicle or consumption of cannabis for personal use while operating a motor vehicle on any public street, road, or highway, similar to the prohibitions laid out for intoxicating liquor in

Testimony on SB 767
Senate Committee on Public Safety,
Intergovernmental, and Military Affairs
February 16, 2021
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Sections 291-3.1 to -3.4, Hawaii Revised Statutes (HRS). SB 767 should also include a limitation that the personal use of cannabis may not apply to areas under federal jurisdiction, because the State-permitted personal use of cannabis proposed in SB 767 could subject the user to federal prosecution if it was to occur within federal national parks or military bases, and within federal buildings, properties, or enclaves.

Second, SB 767 provides on Page 8, Lines 15-17, that the "transfer of one ounce or less of cannabis with or without remuneration to a person who is twenty-one years of age or older is permitted." PSD is concerned that the allowance for the transfer of cannabis for remuneration could potentially subject users to the increased danger of robberies and violent crime.

Finally, The Department believes that SB 767 should also adopt a "strict compliance" standard with respect to compliance with the law for the personal use of cannabis and cannabis establishments. Currently, Sections 329-125, 329-125.5, and 329-125.6, HRS, provide that participants in the authorized medical cannabis patient and dispensary programs must strictly comply with the requirements of those programs. Similarly, if the Legislature permits the personal use of cannabis, and the development and operation of cannabis establishments, as envisioned in SB 767, then it should also hold participants to the same strict compliance standards as it does for medical cannabis patients and dispensaries.

Thank you for the opportunity to testify on this measure.





#### **TESTIMONY BY:**

JADE T. BUTAY DIRECTOR

Deputy Directors LYNN A.S. ARAKI-REGAN DEREK J. CHOW ROSS M. HIGASHI EDWIN H. SNIFFEN

#### **STATE OF HAWAII DEPARTMENT OF TRANSPORTATION**

869 PUNCHBOWL STREET HONOLULU, HAWAII 96813-5097

February 16, 2021 1:00 P.M. State Capitol, Teleconference

#### S.B. 767 **RELATING TO CANNABIS**

Senate Committee on Public Safety, Intergovernmental, and Military Affairs

The Department of Transportation (DOT) opposes S.B. 767, which legalizes the personal use, possession, and sale of cannabis in a specified quantity.

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

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

In Hawaii, a local study on motor vehicle crash fatalities and undercompensated care associated with legalization on medical marijuana finds that "THC positivity among driver fatalities increased since legalization, with a threefold increase from 1993-2000 to 2001-2015. THC positivity among all injured patients tested at our highest level trauma center increased from 11% before to 20% after legalization. From 2011 to 2015, THC positive patients were significantly less likely to wear a seatbelt or helmet (33% vs 56%)." The study was published in the Journal of Trauma and Acute Care Surgery in May 2018.

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

If this bill passes, a percentage of sales or taxes should be allocated towards resources and services to ensure public safety, including DRE-related trainings for law enforcement; establishment and maintenance of a state forensic toxicology testing laboratory; public education; substance misuse treatment services; etc.

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

Thank you for the opportunity to provide testimony.

#### POLICE DEPARTMENT

#### CITY AND COUNTY OF HONOLULU

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

RICK BLANGIARDI MAYOR



SUSAN BALLARD

JOHN D. McCARTHY

AARON TAKASAKI-YOUNG

DEPUTY CHIEFS

OUR REFERENCE

PJ-GK

February 16, 2021

The Honorable Clarence K. Nishihara, Chair and Members
Committee on Public Safety,
Intergovernmental, and Military Affairs
State Senate
Hawaii State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Nishihara and Members:

SUBJECT: Senate Bill No. 767, Relating to Cannabis

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

The HPD opposes Senate Bill No. 767, Relating to Cannabis.

The HPD opposes legislation that seeks to legalize the use, possession, or sale of marijuana in any amount. Although Hawaii has legalized marijuana for medical purposes, the Federal Schedule of Controlled Substances continues to list marijuana as a Schedule I controlled substance.

As a point of reference, one ounce of marijuana is equivalent to approximately 50 cigarettes (joints). Marijuana plants can grow in excess of eight feet with numerous branches off one root system. It is possible for one plant to produce several ounces of marijuana. In addition, the amount of tetrahydrocannabinol in marijuana edibles can vary greatly, which could lead to abuse and adverse effects.

The passage of this bill would create an increased availability of marijuana, making it more accessible, especially to juveniles. 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 diversion of the product.

The Honorable Clarence K. Nishihara, Chair and Members
Page 2
February 16, 2021

The HPD urges you to oppose Senate Bill No. 767, Relating to Cannabis, and thanks you for the opportunity to testify.

Sincerely,

Phillip Johnson, Major Narcotics/Vice Division

APPROVED:

Susan Ballard Chief of Police Justin F. Kollar
Prosecuting Attorney

Jennifer S. Winn
First Deputy



#### Rebecca Vogt Like

Second Deputy

**Diana Gausepohl-White** Victim/Witness Program Director

#### OFFICE OF THE PROSECUTING ATTORNEY

County of Kaua'i, State of Hawai'i

3990 Kaʻana Street, Suite 210, Līhuʻe, Hawaiʻi 96766 808-241-1888 ~ FAX 808-241-1758 Victim/Witness Program 808-241-1898 or 800-668-5734

# THE HONORABLE CLARENCE K. NISHIHARA, CHAIR SENATE COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL AND MILITARY AFFAIRS THIRTY-FIRST STATE LEGISLATURE Regular Session of 2021 State of Hawai'i

February 16, 2021

#### RE: S.B. 767 RELATING TO CANNABIS

Chair Nishihara, Vice Chair English, and Members of the Senate Committee on Public Safety, Intergovernmental and Military Affairs:

The Office of the Prosecuting Attorney, County of Kaua'i SUPPORTS S.B. 767.

The purpose of this Bill is to decriminalize and regulate small amounts of cannabis for personal use; to establish regulations for the cultivation, sale, and personal use of small amounts of cannabis; and to subject income derived from cannabis sales to state income taxes.

This Bill recognizes that the war on drugs that began in the 1930s and continues until the present day has largely been a failure. The emerging consensus in our country is that cannabis can be safely decriminalized (or legalized) for adult recreational use without the negative social outcomes associated with drugs like methamphetamine, heroin, or even alcohol. Hawaii would not be an outlier to follow the trail forged by many other states in this regard. At this juncture we have seen what states have done right and what they have done wrong in establishing guidelines for adult recreational use and Hawaii is well-situated to follow suit in crafting rules and regulations that will ensure success.

While we express no position regarding the provisions of this Bill relating to the details of licensure and taxation, we support the underlying policy provisions of this measure.

Accordingly, the Office of the Prosecuting Attorney, County of Kaua'i, requests that this measure be PASSED.

Thank you very much for the opportunity to testify.



MAYOR

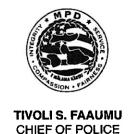
**OUR REFERENCE** 

YOUR REFERENCE

# POLICE DEPARTMENT

#### COUNTY OF MAUL

55 MAHALANI STREET WAILUKU, HAWAII 96793 (808) 244-6400 FAX (808) 244-6411



DEAN M. RICKARD
DEPUTY CHIEF OF POLICE

February 12, 2021

Senator Clarence Nishihara, Chair Senator J. Kalani English Hawaii State Capitol 415 South Beretania Street, Room 205 Honolulu, Hawaii 96813

Re: Senate Bill No. 767 - Relating to Marijuana Decriminalization

Dear Senator Nishihara:

The Maui Police Department **STRONGLY OPPOSES** Senate Bill No. 767, which decriminalized the use of marijuana for the following reasons:

- 1. The decriminalization of marijuana will cause problems for law enforcement in general. Marijuana is a gateway drug, meaning that a person who ingests marijuana is more than likely to progress to other drugs such as cocaine, methamphetamine, heroin, and prescription pills. The harm of allowing the public to possess, use and distribute marijuana outweighs the benefits. We understand that there are medical issues tied to marijuana, but the vast majority of the public does not suffer from these medical issues. In addition, medical professionals are divided on the benefits of marijuana. If medical professionals are divided on this issue, there is no logical reason to decriminalize marijuana.
- 2. A person who ingests marijuana and operates a motor vehicle is considered intoxicated under Hawaii Revised Statute 291E-61. Decriminalizing marijuana will allow people to operate a motor vehicle on the public roadways while intoxicated on marijuana. It has been proven by medical professionals that marijuana impairs a person's motor skills which will put the public at risk of injury or death.
- 3. Second hand smoke from marijuana can and will affect the surrounding people. We do not want marijuana freely ingested in the public, nor do we want marijuana ingested or smoked near children. The mind set of decriminalizing marijuana not only puts our youth in danger but downplays the dangers of unregulated marijuana use.

- 4. Members of the Maui Police Department have spoken to law enforcement from Colorado, one of the first states to fully legalize marijuana consumption and possession. Many if not all of those law enforcement entities in Colorado spoken to have relaved the downfall since the legalization. They cite increased crime, driving under the influence of marijuana and illegal sales of marijuana as major pitfalls to the legalization of marijuana. Many have reported their desire to abolish that law. Marijuana is already regulated in Hawaii. Why decriminalize it so those people who have no medical condition are allowed to get "high?"
- 5. Studies have shown marijuana sent to the University of Tennessee for analysis on tetrahydrocannabinol (THC, the active ingredient in marijuana) from the State of Hawaii has increased in THC levels over the years, some having 30% THC levels or more. Bear in mind that marijuana previously had THC levels of 10% or less. New strains are being bred to contain higher levels of THC. There is a growing concern because the high levels of THC on a person have not been studied enough in the medical community. In fact, there are more emergency room visits in Colorado from marijuana use then there has ever been before.
- 6. The Federal Substance Controlled Act list marijuana and its compounds as a Schedule I substance, and per the definition, "High abuse potential with no accepted medical use; medications within this schedule may not be prescribed, dispensed, or administered." Following federal guidelines, the people of the State of Hawaii should not decriminalize Marijuana.
- 7. Having the sale of marijuana to the general public as described in this bill has no quality control and/or no checks and balances. This bill only requires the issuance of a license by the State of Hawaii and that the marijuana for sale went through a "cannabis testing facility." This bill is not specific on how the marijuana will be tested, what levels of toxic (pesticides) compounds exist in the marijuana, and the levels of THC are present in the marijuana that is for sale. This is dangerous, and therefore should not be openly and publicly for sale.

Therefore, the Maui Police Department OPPOSES Senate Bill No. 767. Thank you for the opportunity to testify.

Sincerely,

TIVOLI S. FAAUMU Chief of Police





#### CITY AND COUNTY OF HONOLULU

ALII PLACE
1060 RICHARDS STREET • HONOLULU, HAWAII 96813
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STEVEN S. ALM PROSECUTING ATTORNEY



THOMAS J. BRADY FIRST DEPUTY PROSECUTING ATTORNEY

# THE HONORABLE CLARANCE K. NISHIHARA, CHAIR SENATE COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY AFFAIRS

Thirty-First State Legislature Regular Session of 2021 State of Hawai'i

February 16, 2021

#### RE: S.B. 767; RELATING TO MARIJUANA.

Chair Nishihara, Vice Chair English, and members of the Senate Committee on Public Safety, Intergovernmental, and Military Affairs, the Department of the Prosecuting Attorney of the City and County of Honolulu ("Department") submits the following testimony in opposition to S.B. 767.

The purpose of S.B. 767 is to legalize the possession of up to one ounce of marijuana to create a new revenue source that would allow the State to meet its strategic goals and provide necessary funding for State programs. Although well intentioned when solely considering the economic impact on our State, the Department firmly believes that S.B. 767 fails to consider social and health impacts of marijuana legalization.

With the passage of Act 273, Session Laws of Hawaii 2019, and the creation of the Marijuana Evaluation Task Force, the proposed changes in S.B. 767 are premature. The Marijuana Evaluation Task Force was created to examine other states' laws, penalties, and outcomes pertaining to marijuana use, and to make recommendations on amending marijuana use penalties and outcomes in the state. The task force was comprised of numerous stakeholders including but not limited to, a member from the House and Senate, Department of the Attorney General, a Prosecuting Attorney selected by the co-chairs of the task force, and the Public Defender's Office. Per Act 273, the task force was to submit a report of its findings and recommendations, including any proposed legislation no later than twenty days prior to the convening of the Regular Session of 2020. Due to the disruptions caused by the COVID-19 pandemic, the task force was not able to complete the reports and S.B. 1010 was introduced during the current 2021 legislative session to extend the time to report and dissolution of the task force. Due to unintended delay of the report by the task force, our Department believes that implementation of S.B. 767 is premature and that it be necessary to await the report completed by the task force.

If the Legislature does legalize the use of marijuana, the Department believes that community based treatment and oversight is needed. A properly funded foundation for social services would ensure proper implementation. Given the strong potential for widespread abuse and negative effects on the community, the Department strongly maintains that marijuana should continue to be strictly regulated and enforced, and that current statutes are appropriate in this regard. Perhaps even more importantly, legalization of the possession or sale of "personal use" amounts of marijuana would take away or severly limit our Family Courts' ability to require any juvenile offenders to attend treatment, because they would no longer qualify as "law violators." (See Sections 571-11(1) and 571-2, where the definition of "status offender" contains more information about "law violators.") Given the notable health risks associated with using marijuana at a young age, and the limited time that our Family Courts have to get troubled youth back on-track, the Department believes it would be a great disservice to those youth, not to take every opportunity to provide (community-based) treatment and counseling that could steer them away from this dangerous behavior.

For this and all of the foregoing reasons, the Department of the Prosecuting Attorney of the City and County of Honolulu <u>opposes</u> S.B. 767. Thank you for the opportunity to testify on this matter.

Council Chair Alice L. Lee

Vice-Chair Keani N.W. Rawlins-Fernandez

Presiding Officer Pro Tempore Tasha Kama

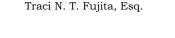
Councilmembers
Gabe Johnson
Kelly Takaya King
Michael J. Molina
Tamara Paltin
Shane M. Sinenci
Yuki Lei K. Sugimura



#### **COUNTY COUNCIL**

COUNTY OF MAUI 200 S. HIGH STREET WAILUKU, MAUI, HAWAII 96793 www.MauiCounty.us

February 16, 2021



Director of Council Services



TO: Honorable Clarence K. Nishihara, Chair

Senate Committee on Public Safety, Intergovernmental, and Military Affairs

FROM: Alice L. Lee

Council Chair

DATE: February 16, 2021

SUBJECT: SUPPORT OF SB 767, RELATING TO CANNABIS

Thank you for the opportunity to testify in **SUPPORT** of this important measure. The purpose of this measure is to legalize the personal use, possession, and sale of cannabis in a specified quantity. The Maui County Council has not had the opportunity to take a formal position on this measure; however, the Council adopted on February 5, 2021, Resolution 21-19, entitled "SUPPORTING LEGALIZING, REGULATING, AND TAXING CANNABIS FOR RESPONSIBLE, ADULT USE." Therefore, I am providing this testimony on behalf of the Maui County Council.

The Maui County Council SUPPORTS this measure for the following reasons:

- 1. The Council supports legalizing, regulating, and taxing cannabis for responsible, adult use.
- 2. The Council supports promoting equitable ownership and employment opportunities in a legal cannabis industry to decrease disparities in life outcomes for marginalized communities, and to address the disproportionate impacts disparate enforcement of cannabis prohibition has had on those communities

For the foregoing reasons, the Maui County Council **SUPPORTS** this measure.

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### LEGISLATIVE TAX BILL SERVICE

# TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 304

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: INCOME, GENERAL EXCISE, Legalization of Marijuana for Personal Use

BILL NUMBER: SB 767

INTRODUCED BY: LEE, ENGLISH, KEITH-AGARAN, KEOHOKALOLE, Acasio, Ihara,

Nishihara

EXECUTIVE SUMMARY: Legalizes the personal use, possession, and sale of cannabis in a specified quantity. Requires licensing to operate cannabis establishments. Subjects cannabis establishments to excise taxes and income taxes.

SYNOPSIS: As it relates to taxation, the bill adds a new chapter to the HRS, of which section \_\_\_\_-10 states simply, "A marijuana establishment shall be subject to payment of income taxes on gross receipts under chapter 235 and payment of excise taxes under chapter 237 for each transaction conducted by the marijuana establishment."

EFFECTIVE DATE: Upon approval.

STAFF COMMENTS: In the bill's preamble, section 1, the legislature "finds cannabis cultivation and sales hold potential for economic development, increased tax revenues, and reduction in crime." However, proposed HRS section \_\_\_\_-10 states simply that the business of a marijuana establishment would be subject to tax under the Net Income and General Excise Tax laws. Any business, however, is already subject to taxes under those laws if there is no specific exemption.

The Income Tax Law already states, in section 235-2.4(v), that cannabis sales by licensed dispensaries are not subject to the disallowance rules in Internal Revenue Code section 280E. That section presupposes that the law generally applies to cannabis establishments.

The General Excise Tax Law already states, in section 237-24.3(6), that the exemption for sales of prescription drugs does not apply to sales of cannabis or cannabis products even for medicinal purposes. That language presupposes that the law generally applies to cannabis establishments.

Thus section -10 as it is now drafted seems to be superfluous.

Digested 2/12/2021



#### **HIPHI Board**

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Michael Robinson, MBA, MA Immediate Past Chair Hawai'i Pacific Health

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Keawe'aimoku Kaholokula, PhD John A. Burns School of Medicine, Department of Native Hawaiian Health

Mark Levin, JD William S. Richardson School

Rachel Novotny, PhD, RDN,

University of Hawai'i at Mānoa, College of Tropical Agriculture and Human Resources

May Okihiro, MD, MS John A. Burns School of Medicine, Department of Pediatrics

Misty Pacheco, DrPH University of Hawai'i at Hilo, Department of Kinesiology and Exercise Sciences

Garret Sugai Kaiser Permanente Date: February 12, 2021

To: Senator Clarence K. Nishihara, Chair Senator J. Kalani English, Vice Chair Members of the Committee on Public Safety, Intergovernmental, and Military Affairs

Re: Opposition for SB 767, Relating to Cannabis

Hrg: February 16, 2021 at 1:00pm via videoconference

The Hawai'i Public Health Institute takes no position on the legalization of <u>recreational</u> cannabis. However, we **Oppose SB 767** because of its lack of public health regulations needed to ensure that any legalization of cannabis would create the safest possible protections for our youth and the community-at-large.

A public health focused cannabis regulatory system should prioritize the following five goals:

- 1. Preventing youth cannabis use;
- 2. Reducing cannabis-related harms to individuals and communities;
- 3. Ensuring accurate information about the risks of cannabis use;
- Controlling the prevalence, frequency, and intensity of cannabis use; and
- 5. Minimizing the influence of the cannabis industry and the profit motive in setting cannabis policies.<sup>ii</sup>

From a public health perspective, we are concerned that this bill places the regulatory authority under the Department of Taxation, rather than 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 is at the forefront of regulations of recreational legalization of cannabis.

While we appreciate the regulatory rules named in the bill and believe that these regulations are necessary, the rules lack specifics to ensure they would prioritize public health and safety. Additionally, there are a number of other regulations should be included to ensure the safest possible protections. These additional regulations are specified below.

# 1. Limit the number of retail outlets to ensure there is no over-availability in any area and require distance near sensitive areas

Washington's outlet density rules restrict the total number of outlets allowed, and regulate license distribution according to consumption data maps (i.e. areas with lower consumption have lower number of outlets and vice versa)<sup>iii</sup>. A lesson learned from the alcohol field is that restricting outlet density can prevent lower income neighborhoods from having high numbers of outlets located in their areas and thereby reduce the related harms associated with the exposure to excess outlet density.<sup>iv</sup>

In addition to regulation on the number of retail outlets in any area, it is recommended that **distance requirements be established** near sensitive areas such as schools, parks, treatment and recovery centers/homes. While there is no specific distance that is recommended in the literature, Washington State's law created a default 1,000-foot buffer distance from youth-serving uses that include schools, playgrounds, recreational facilities, child care centers, and public parks.<sup>v</sup>

## 2. Clear licensee guidelines that ensure proper oversight of production, transportation, and sale of cannabis

To ensure proper safety and oversight of cannabis production, transportation, and sale of cannabis, it is recommended that the State utilize the current model under the Medical Cannabis Dispensary program already established through the Department of Health. This model ensures proper testing of product, and tracks the product throughout the process from cultivation to sale.

#### 3. Restrict cannabis products, packaging, and marketing that attracts youth

The most recent statewide Youth Risk Behavior Survey (2019) shows that 17.2% of all high school students in Hawai'i are current cannabis users in while nearly 1 in 3 high school students (31.1%) report using cannabis at least once in their life. These use rates suggest generally favorable youth attitudes toward cannabis use, and relative ease of access of cannabis for youth. Studies show that youth who use cannabis are more likely to drop out of high school, are more likely to experience mental health issues, and are more likely to become addicted. As such, delaying the initiation of cannabis use by youth will decrease the potential for negative consequences associated with use.

Significant research in recent years establishes a link between alcohol and tobacco marketing exposure and youth consumption. ix

#### Policy recommendations to reduce youth exposure to advertising include:

- 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
- Prohibit cannabis advertising near youth-sensitive areas in the community (e.g., parks, schools, recreational facilities, public transportation, bus stops, etc.)

An important lesson from alcohol and tobacco policy is the need to monitor potentially harmful products allowed on the market that attract youth and make it easy for youth to consume.<sup>x</sup>

Once such products are introduced, it is very difficult to have them removed. This can clearly be seen by the current youth vaping epidemic Hawai'i is experiencing.

Policy recommendations to prohibit products that appeal to youth and allow for easy youth use include:

- Prohibit products that appeal to youth include candies, candy bars, and lollipops.
- Prohibit flavored e-liquids and juices for vaporizing devices

# 4. Minimize the influence of the cannabis industry and profit motive in setting cannabis policies

Numerous studies have documented the harmful influence of the tobacco and alcohol industry in setting policy guidelines on their respective commodities, so much so that the World Health Organization excludes the tobacco industry from policy discussions in setting global tobacco policy recommendations. One way to ensure that public health and safety are priority in setting cannabis policy could be to create a **Cannabis Advisory Board** that provides input to the Department of Health regarding cannabis regulations and safety controls. The Advisory Board could include the Departments of Agriculture, Taxation, Labor, and a Stakeholder Group. Stakeholders could include the following groups with equal representation: county government, law enforcement, drug prevention coalitions, healthcare and hospitals, higher education, Chamber of Commerce, and public health policy experts.

- 5. Allow local counties to have regulatory control that is stricter than the state level

  States with medical and non-medical cannabis laws vary widely in regards to the regulatory authority given to local jurisdictions. While some regulatory authority at the state level is necessary, lessons learned from the alcohol and tobacco field suggest that there are public health benefits in providing local jurisdictions with regulatory authority. It is critical to recognize that unique public health challenges that may arise within different counties, and giving counties the ability to respond to these challenges will ensure the health and safety of those local communities. Additionally, local law enforcement, first responders, and public health officials will be "front line" people addressing any adverse impacts of legalization, and will need the authority to create local solutions and mitigate any unforeseen problems, as needed. It is recommended that local counties be given regulatory authority to allow for stricter regulations than the state level.
- 6. Establish a clear taxation structure that ensures tax generation, establishes a price target that minimizes excessive use, and appropriates funding to offset the burden of cannabis misuse.

Lessons learned from the alcohol and tobacco field show that raising prices decrease youth and adult consumption and related problems.<sup>xii</sup> As such, it is recommended that cannabis prices be set high. However, they must not be set too high so as not to foster underground illegal markets. This can be accomplished by using taxation as a mechanism to achieve a price target that is set high enough that it minimizes excessive use, but not so high that it encourages black market cultivation and sales.<sup>xiii</sup> However, a further analysis would need to be completed that considers the black-market cost of cannabis and the cost of legal cannabis production to determine a price target.

Commented [MOU1]: Specific recommendations?

In addition to establishing a price target, pricing policy could also include prohibiting free samples, discounts, giveaways, coupons so as not to foster "price wars" and foster excessive consumption.

It can be assumed that the legalization of cannabis will create financial and social burdens on the State. It is important to set up appropriations that offset this burden on the State. Recommendations include establishing special funding for prevention and treatment services, schools, public spaces, first responders\_and <a href="mailto:behavioral health">behavioral health</a>.

## 7. Consider smoke-free laws for public spaces, multi-family housing, workplaces, bars and restaurants

Similar to tobacco, research has found that there are several toxic compounds in cannabis smoke that can cause respiratory symptoms.\*\*iv Most states that have legalized recreational cannabis prohibit cannabis use in public spaces.\*\*v Much of this is in regards to the concerns of second-hand smoke. In addition to public spaces, consideration should be given to prohibiting cannabis smoking in multi-family housing where this is higher risk of exposure to second-hand smoke. Some states have adopted policy language that adds cannabis use to all of their clean-air and smoke-free tobacco laws.\*\*vi It is recommended that the State consider adding cannabis use to all current clean-air and smoke-free tobacco laws. As of August 2019, California, Oregon, Washington, Massachusetts, and Colorado met criteria for being smoke-free in workplaces, restaurants, and bars.\*\*vii To minimize the risk of second-hand smoke and work-related accidents due to cannabis, it is recommended that Hawai'i follow this model in creating smoke-free workplaces, bars, and restaurants.

Many of these proposed regulations stem from lessons learned from the tobacco and alcohol field, as well as lessons learned from other states that have legalized cannabis for recreational use. In addition to the proposed regulations above, there are likely further regulations needed that need additional research (e.g. drugged driving laws). We hope that you find these recommendations helpful in ensuring that the health of our community is prioritized when creating policy. Should you have any questions, please do not hesitate to contact me.

Thank you for the opportunity to provide testimony.

Mahalo,

Richard Collins, MS, CPS Project Director Rick@hiphi.org <sup>1</sup> Hawai'i Public Health Institute 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.

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- xiii 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\_reports/RR864.html">https://www.rand.org/pubs/research\_reports/RR864.html</a>, pg. 110
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February 12, 2021

Senator Clarence K. Nishihara, Chair Senator J. Kalani English, Vice Chair

#### RE. SB767, RELATING TO CANNABIS

Good Morning & Aloha! My name is Greg Tjapkes. I am the executive director of The Coalition for a Drug-Free Hawaii. Our mission is to reduce and prevent drug abuse in Hawaii through awareness, education, and action.

#### The Coalition for a Drug-Free Hawaii Opposes SB767

In considering marijuana legalization we must first ask whether this policy promotes the health and welfare of our keiki and families. Normalizing marijuana use will only increase exposure and risk factors for youth. Sixty-two percent of adolescents receiving state funded substance abuse treatment identify marijuana as their primary reason for seeking help. Further:

- Children under 17 years of age who smoke marijuana daily are over <u>60 per</u> <u>cent less likely to complete high school</u> than those who never smoke weed.
- Daily marijuana use is associated with increased odds of psychosis compared with never users, increasing to nearly <u>five-times</u> increased odds for daily use of high-potency types of cannabis <sup>ii</sup>
- People diagnosed with cannabis dependence may experience a <u>loss of up to</u>
   6 IQ points<sup>iii</sup>

For these reasons and others, the American Medical Association and the American Academy of Pediatrics oppose legalization of marijuana.



On a public safety note legalized states have seen:

- Increases in marijuana black market activity,
- Significant increases in marijuana impaired driving deaths,
- And, merely 1% of state budget revenues from marijuana taxes.

It seems that many problems are created, including risking the health and welfare of citizens, while corresponding costs are not accounted for, in order to increase tax revenues.

For these reasons The Coalition for a Drug-Free Hawaii **STRONGLY Opposes SB767.** 

Thank you for this opportunity to provide testimony on this important issue.



i https://www.thelancet.com/journals/lanpsy/article/PIIS2215-0366(14)70307-4/fulltext

ii https://www.thelancet.com/journals/lanpsy/article/PIIS2215-0366(19)30048-3/fulltext

iii https://www.pnas.org/content/109/40/E2657 (Proceedings of the National Academy of Sciences)



Young Progressives Demanding Action P.O. Box 11105 Honolulu, HI 96828

February 13, 2021

TO: SENATE COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY AFFAIRS RE: Testimony offering comments on SB767

Dear Senators,

Young Progressives Demanding Action (YPDA) **strongly supports SB767**, which would legalize, regulate and tax the sale of adult-use, recreational cannabis in Hawai'i.

Over the past 40+ years since Ronald Reagan declared the "War on Drugs," the United States has fought a losing campaign to end domestic drug use that has cost almost \$1 trillion and resulted in over 40 million arrests with nothing constructive to show for it. Instead, we have allowed this misguided campaign to consume law enforcement resources and destroy countless lives.

Between 1990 and 2010, the "War on Drugs" resulted in dramatic increases in the length of prison sentences, a 53 percent increase in drug arrests, a 188 percent increase in the number of people arrested for cannabis offenses, and a 52 percent increase in the number of people in state prisons for drug offenses. The racist policies that undergird the "War on Drugs" have meant that a disproportionate amount of its devastation impacts communities of color.

The United States now has an unprecedented and unparalleled incarceration rate: while it accounts for 5 percent of the world's population, it has <u>25 percent of the world's prison</u> population.

While costing <u>billions of dollars</u>, the "War on Drugs" has also degraded the nation's social and public health infrastructure, while <u>failing to have any marked effect on the use or availability of drugs</u>. Indeed, the United States is now the world's <u>largest consumer</u> of illegal drugs.

In place of cannabis criminalization—and taking a cue from the failure of alcohol prohibition—states should legalize adult-use recreational cannabis by licensing and regulating its production, distribution, and possession for persons 21 or older.

Legalization would, first and foremost, eliminate the unfair race- and community-targeted enforcement of cannabis criminal laws; help reduce overincarceration in our jails and prisons; curtail infringement upon constitutional rights (most notably as guaranteed by the Fourth Amendment's proscription of unreasonable searches and seizures); and allow law enforcement to focus its resources on serious crime.

Furthermore, at a time when our state is facing severe budget shortfalls, legalizing cannabis makes fiscal sense. The licensing and taxation of cannabis will save Hawai'i millions of dollars currently spent on enforcement of cannabis criminal laws. It will, in turn, raise millions more in revenue to reinvest in public schools and substance abuse prevention, as well as to replenish general funds and local budgets, conduct research, improve public health, and help build stronger, safer communities.

#### MORE DATA TO SUPPORT LEGALIZATION

Prohibition has completely failed to reduce cannabis use. Despite the fact that police departments have made aggressive enforcement of cannabis laws an increasing priority, and states have spent billions of dollars on such enforcement, it has <u>failed to diminish cannabis's</u> use or availability.

In 2002, there were 14.5 million people aged 12 or older (6.2 percent of the total population) who used cannabis each month; by 2011, that number <a href="had increased">had increased</a> to 18.1 million (7 percent of the total population). The Obama White House's Office of National Drug Control Policy <a href="found">found</a> that cannabis prices dropped and stabilized after the early 1990s, and <a href="several surveys">several surveys</a> show cannabis use rose and stabilized among youth during the same time.

Prohibition has resulted in mass incarceration and over-policing. More than 20,000 people were incarcerated for cannabis possession in 2010. Between 2001 and 2010, there were 8,244,943 cannabis arrests, of which 88 percent, were for possession. In 2010 alone, there were 889,133 cannabis arrests—300,000 more than arrests for all violent crimes combined—or one bust every 37 seconds. Cannabis arrests have increased between 2001 and 2010 and now account for 52 percent of all drug arrests in the United States.

Prohibition <u>exacerbates institutional racism within the prison system</u>. On average, a Black person is 3.73 times more likely to be arrested for cannabis possession than a white person, even though Blacks and whites use cannabis at similar rates—a disparity that <u>increased 32.7 percent</u> between 2001 and 2010. Such racial disparities in cannabis possession arrests exist in every part of the country, in counties large and small, urban and rural, wealthy and poor, and with large and small Black populations.

These numbers are <u>similarly reflected in Hawai'i for Native Hawaiians and Pacific Islanders</u> when compared to other ethnic groups. Legalization is the smartest and surest way to end targeted enforcement of cannabis laws in communities of color.

Cannabis is <u>more than 100 times safer to use than alcohol</u>. In a <u>comparative analysis</u> on the risks of recreational drugs, alcohol was the top contender, while cannabis was considered the lowest risk.

Youth cannabis use rates have remained stable. Since adult-use recreational cannabis was legalized in Colorado, many feared that it would lead to increased consumption among youth. In fact, legalization has had the exact opposite effect: due to education and regulations restricting use to adults, the percentage of teenagers in Colorado using cannabis <u>steadily dropped from 22 percent to 20 percent between 2011 and 2013</u>, and remains below the national average of 23.4 percent. <u>Teen use levels</u> are <u>holding steady</u> nationally as well.

Legalization has not made our roads less safe. The total number of arrests for driving under the influence of alcohol and other drugs has <u>declined in Colorado</u> and <u>Washington</u>, the first two states to regulate cannabis for adult use. There is <u>no clear correlation</u> between cannabis legalization and crash rates. The crash rates in both states are <u>statistically similar to comparable states without legal cannabis</u>.

Legalization has not resulted in a public health crisis. Calls to poison control centers and visits to emergency departments for cannabis exposure remain relatively uncommon. In Oregon, <a href="Less than 1 percent of calls">Less than 1 percent of calls</a> to the state's poison centers in 2016 were related to cannabis exposure. In Colorado, a mere <a href="0.04 percent">0.04 percent</a> of the state's 2.3 million emergency department visits in 2014 were for cannabis exposure.

Cannabis legalization has been <u>linked to lower rates of opioid related harm</u>. Early studies have revealed a <u>correlation between states with access to medical and adult-use recreational cannabis and lower rates of opioid overdose mortality</u> (M.D. Livingston et al., "Recreational cannabis legalization and opioid-related deaths in Colorado, 2000-2015," American Journal of Public Health, 107, No. 11, November 2017, p. 1827-1829). This analysis of opioid overdose deaths in Colorado found that, after cannabis was legalized for adult use, there was a reduction of 0.7 deaths per month in the state and that the decades-long upward trend of overdoses began to decline after 2014, the first year of cannabis retail sales in the state.

In states with legal access to cannabis, overdose death rates are almost 25 percent lower than in states with no legal access, and the reductions in overdose death rates have strengthened

over time (M.A. Bachhuber et al., "Medical cannabis laws and opioid analgesic overdose mortality in the United States, 1999-2010," JAMA Internal Medicine, 174, 10, 2014, p. 1668-1673). Legal access to cannabis has been associated with a 23 percent reduction in opioid dependence or abuse-related hospitalizations and 15 percent fewer opioid treatment admissions.

Legalization will save states hundreds of millions of dollars. Enforcing cannabis possession laws costs the U.S. \$3.6 billion annually. Arrests for cannabis in all legal cannabis states and Washington, D.C. have plummeted. The reduction in arrests has resulted in substantial savings, estimated at hundreds of millions of dollars, for law enforcement and the judiciary. It is yet unknown how much reductions in opioid use will save states in long-term medical costs.

Legalization will generate hundreds of millions more in new revenue. Cannabis sales in Washington generated \$315 million in tax revenues in the 2016-17 fiscal year, and \$70 million in Oregon, more than double the predicted revenue. Since sales began in Colorado in 2014, the state has collected almost more than \$600 million in revenue.

A 2010 paper from the libertarian Cato Institute found that universally legalizing cannabis would net all levels of the government \$17.4 billion annually—half of that would come from reduced spending and costs (particularly for drug enforcement), and the rest would come from taxing cannabis like alcohol and tobacco, and from new economic activity.

Revenue from regulating cannabis sales has been put to immense social good:

- Colorado distributed \$230 million to the Colorado Department of Education between 2015 and 2017 to fund school construction, early literacy, bullying prevention, and behavioral health.
- Oregon allocates <u>40 percent of cannabis tax revenue to its state school fund</u>, depositing \$34 million into the fund so far. The state also distributes 20 percent to alcohol and drug treatment.
- Nevada's 15 percent wholesale tax was <u>projected to bring in \$56 million</u> between 2018– 20 to fund state schools.
- Washington dedicates 25 percent to substance use disorder treatment, education and prevention. The state also distributes 55 percent of its cannabis tax revenues to fund basic health plans.
- Alaska will collect an estimated \$12 million annually, which will fund drug treatment and community residential centers.
- Massachusetts and California, by statute (M.G.L.A. 94G § 14(b)(v); Cal. Rev. & Tax. Code § 34019(d)), will invest a share of their cannabis tax revenues in the communities most adversely impacted by drug arrests and incarceration, particularly low-income communities of color, to help repair the harms of unequal drug law enforcement.

A legal cannabis industry would create thousands of new jobs. Preliminary estimates suggest that the legal cannabis industry <u>already employs between 165,000 to 230,000 full- and part-</u>

<u>time workers across the country</u>. Colorado has created more than <u>10,000 new jobs in the legal</u> <u>cannabis industry since 2014</u>, boosting the economy and <u>contributing to a lowering of the unemployment rate</u> (to just 6 percent pre-pandemic, making it one of the lowest in the nation).

A legal cannabis industry would undercut the black market. Mexican cartels were once the top suppliers of cannabis to the United States. However, since legalization has swept across multiple states and Washington, D.C., the amount seized by the U.S. Border Patrol dropped 24 percent as of 2015, and the price of Mexican-grown cannabis dropped from \$90 down to \$30 per kilogram by 2014, dramatically reducing the profitability of illegal activity.

Legalization brings proper regulation and infrastructure, and ushers in potency testing, product variety, warning labels, and overall peace of mind for the consumer.

For all of these many reasons, YPDA urges this committee to pass SB767.

Mahalo for the opportunity to testify,

Will Caron
Board President & Secretary, 2020–2021
action@ypdahawaii.org



#### SENATE BILL 767, RELATING TO CANNABIS

FEBRUARY 16, 2021 · SENATE PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY AFFAIRS COMMITTEE · CHAIR SEN. CLARENCE K. NISHIHARA

**POSITION:** Support.

**RATIONALE:** The Democratic Party of Hawai'i Education Caucus supports SB 767, relating to cannabis, which legalizes the personal use, possession, and sale of cannabis in a specified quantity, requires licensing to operate cannabis establishments, and subjects cannabis establishments to excise and income taxes.

It is high time that Hawai'i stopped criminalizing people for smoking small amounts of a plant. While marijuana remains illegal under federal law, where it is classified as a Schedule I substance, the facts about cannabis consumption are clear. To begin, marijuana 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 marijuana consumption is not, despite the former being more dangerous, statistically speaking, than the latter.

Similarly, marijuana 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. Marijuana is also not conclusively linked to an increase in violent behavior. Rather, reports supposedly linking

marijuana to violent crimes typically rely on information gathered by the Office of National Drug Control Policy, which, in turn, relies on source material that a) does not account for drug-trafficking and dispositional or psychological disorders; and b) fails to account for levels of deviancy (increased usage beyond average consumption rates). A more stark statistical correlation exists between increased alcohol consumption and violent crime, including child and intimate partner abuse, yet, again, no one is introducing, much less considering the merits of, limiting the personal consumption of alcohol. Additionally, only 30 percent of frequent (every other day or more) cannabis users report symptoms suggesting dependence, in contrast to nearly 70 percent for nicotine and 88 percent for harder drugs, like cocaine, calling into question legal opinions asserting that marijuana and hard drugs can be readily correlated to one another. If we do not criminalize overconsumption of the more dangerous drug of alcohol, why do we unduly criminalize cannabis consumption, particularly in small amounts?

Furthermore, legalizing recreational cannabis usage is an issue of restorative justice. As the visitor industry reaps record profits and supports expansion of the local prison-industrial complex, people of Native Hawaiian ancestry, who comprise approximately 25 percent of the state's population, suffer the pangs of a biased criminal (in)justice system. Approximately 39 percent of incarcerated detainees are Hawaiian, according to a comprehensive study by the Office of Hawaiian Affairs, with the proportionality gap being even greater for Hawaiian women, who comprise 19.8 percent of the state's female population, but 44 percent of the state's female inmate population. Researchers also found that, on average, Hawaiians receive longer sentences, more parole revocations, and, importantly for this measure, <a href="harsher drug-related punishments than other ethnic groups">harsher drug-related punishments than other ethnic groups</a>, including for marijuana possession. Therefore, passage this measure is a step toward reforming and preventing more people from becoming victims of our unjust and racially coded prison system.

<u>Legalizing recreational cannabis could generate at least \$70-\$100 million in tax revenue</u> <u>annually for our state</u> and produce substantial criminal justice savings that could be spent delivering a quality education to our keiki, building basic infrastructure, expanding access to healthcare, constructing truly affordable housing, and more. In our path toward prosperity and criminal justice reform, legalizing cannabis is a step we must take.

Kris Coffield · Chairperson, Democratic Party of Hawai'i Education Caucus · (808) 679-7454 · kriscoffield@gmail.com

#### SB-767

Submitted on: 2/15/2021 10:59:55 AM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Carly Wolf	Testifying for NORML	Support	No

#### Comments:

I wish to thank the Chair and members of the Committee for holding a hearing on this important matter and for considering my testimony.

My name is Carly Wolf, State Policies Coordinator with The National Organization for the Reform of Marijuana Laws (NORML) – a Washington, DC based advocacy organization that opines in favor of evidence-based marijuana policy reforms.

I am providing testimony in favor of Senate Bill 767, which seeks to disrupt the illicit marijuana market by regulating and licensing retail sales to adults.

Now more than ever, there exists tremendous public support for ending our nation's nearly century-long experiment with marijuana prohibition and replacing it with a taxed and regulated adult use marketplace. Almost seven in ten US adults, including majorities of all age groups, believe that the use of "marijuana should be made legal" according to nationwide polling data provided by Gallup.

Licensing the commercial marijuana marketplace will bring long overdue controls to this market. Voters do not desire replacing nearly a century of criminalization with a marijuana free-for- all. They are aware of the reality that marijuana possesses some potential level of risk and that there exists the potential for abuse, particularly among young people. In fact, it is precisely because of this reality that NORML believes that society ought to regulate its use, production, and dispensing accordingly. By contrast, we believe that advocating for the plant's continued criminalization and for the proliferation of the black market does nothing to offset these risks; it compounds them.

This is because marijuana prohibition drives markets underground and abdicates control of these markets to those who typically operate outside the boundaries of law. Regulation, by contrast, allows for lawmakers to establish legal parameters regarding where, when, and how an adult cannabis market may operate. Legalization also provides oversight regarding who may legally operate in said markets and provides guidelines so that those who do can engage in best practices.

Such regulations already exist for alcohol and tobacco – two substances that are far more dangerous and costly to society than is the adult use of cannabis. The imposition and enforcement of tobacco and alcohol regulations, coupled with public awareness

campaigns highlighting these products' risks and acknowledging the distinctions between their use versus abuse, has proven effective at reducing the public's overall consumption of these substances, especially among teens.

Unfortunately, a legal environment in which marijuana is criminalized is not conducive to imposing such common sense, evidence-based practices. A pragmatic regulatory framework that allows for the legal, licensed production and retail sale of cannabis to adults, but restricts and discourages its use among young people best reduces the risks associated with the plant's use or abuse, and provides an environment whereby consumers can best learn the skills and knowledge to readily delineate between the two behaviors. That is why the majority of Hawaii voters welcome the opportunity to bring necessary and long-overdue regulatory controls to the marijuana market, and why they support lawmakers' efforts to move in this direction.

Legalizing marijuana is also a matter of justice, and racial justice in particular. The American Civil Liberties Union research report, A Tale of Two Countries: Racially Targeted Arrests in the Era of Marijuana Reform (2020) concludes: "On average, a Black person is 3.64 times more likely to be arrested for marijuana possession than a white person, even though Black and white people use marijuana at similar rates. Just as before, such racial disparities in marijuana possession arrests exist across the country, in every state, in counties large and small, urban and rural, wealthy and poor, and with large and small Black populations."

Findings in this same report showed that in Hawaii in 2018, 679 individuals were arrested for marijuana law violations. Of those arrested, nearly 95 percent of defendants were charged with possession only. Arrests for the possession of marijuana made up almost thirty five percent of all drug arrests in 2018.

Black people in Hawaii are nearly twice as likely to be arrested as whites. In places like Maui, black Hawaiians are more than four times as likely to be arrested for marijuana possession than whites.

It is time for Hawaii to become a leader in sensible cannabis policy. Public sentiment and common sense demand that lawmakers move forward to enact necessary and long overdue changes in state-level marijuana policies to achieve the repeal of marijuana prohibition so that the responsible, adult use of cannabis is no longer subject to arrest and criminal penalty.

I urge members of the Committee to support the passage of Senate Bill 767, to end the criminalization of cannabis consumers.



#### SB 767, RELATING TO CANNABIS

FEBRUARY 16, 2021 · SENATE PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY AFFAIRS COMMITTEE · CHAIR SEN. CLARENCE K. NISHIHARA

**POSITION:** Support.

**RATIONALE:** Imua Alliance supports SB 767, relating to cannabis, which legalizes the personal use, possession, and sale of cannabis in a specified quantity, requires licensing to operate cannabis establishments, and subjects cannabis establishments to excise and income taxes.

It is high time that Hawai'i stopped criminalizing people for smoking small amounts of a plant. While marijuana remains illegal under federal law, where it is classified as a Schedule I substance, the facts about cannabis consumption are clear. To begin, marijuana 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 marijuana consumption is not, despite the former being more dangerous, statistically speaking, than the latter.

Similarly, marijuana 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. Marijuana is also not conclusively linked to an increase in violent behavior. Rather, reports supposedly linking marijuana to violent crimes typically rely on information gathered by the Office

of National Drug Control Policy, which, in turn, relies on source material that a) does not account for drug-trafficking and dispositional or psychological disorders; and b) fails to account for levels of deviancy (increased usage beyond average consumption rates). A more stark statistical correlation exists between increased alcohol consumption and violent crime, including child and intimate partner abuse, yet, again, no one is introducing, much less considering the merits of, limiting the personal consumption of alcohol. Additionally, only 30 percent of frequent (every other day or more) cannabis users report symptoms suggesting dependence, in contrast to nearly 70 percent for nicotine and 88 percent for harder drugs, like cocaine, calling into question legal opinions asserting that marijuana and hard drugs can be readily correlated to one another. If we do not criminalize overconsumption of the more dangerous drug of alcohol, in and of itself, why, once more, do we unduly criminalize cannabis consumption, particularly in small amounts?

Furthermore, legalizing recreational cannabis usage is an issue of restorative justice. As the visitor industry reaps record profits and supports expansion of the local prison-industrial complex, people of Native Hawaiian ancestry, who comprise approximately 25 percent of the state's population, suffer the pangs of a biased criminal (in)justice system. Approximately 39 percent of incarcerated detainees are Hawaiian, according to a comprehensive study by the Office of Hawaiian Affairs, with the proportionality gap being even greater for Hawaiian women, who comprise 19.8 percent of the state's female population, but 44 percent of the state's female inmate population. Researchers also found that, on average, Hawaiians receive longer sentences, more parole revocations, and, importantly for this measure, <a href="harsher drug-related punishments than other ethnic groups">harsher drug-related punishments than other ethnic groups</a>, including for marijuana possession. Therefore, passage this measure is a step toward reforming and preventing more people from becoming victims of our unjust and racially coded prison system.

<u>Legalizing recreational cannabis could generate at least \$70-\$100 million in tax revenue</u> <u>annually for our state</u> and produce substantial criminal justice savings that could be spent delivering a quality education to our keiki, building basic infrastructure, expanding access to healthcare, constructing truly affordable housing, and more. In our path toward prosperity and criminal justice reform, legalizing cannabis is a step we must take.

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



Submitted Online: February 15, 2021

Hearing: Tuesday, February 16, 2021

TO: Senate Committee on Public Safety, Intergovernmental & Military Affairs

Senator Clarence Nishihara, Chair Senator J. Kalani English, Vice Chair

FROM: Eva Andrade, President

RE: Strong Opposition to SB 767 Relating to Cannabis

Hawaii Family Forum is a non-profit, pro-family education organization committed to preserving and strengthening families in Hawaii. As such, we have serious concerns about this bill and its ultimate ramifications on the wider community – especially with regards to our keiki. Although we leave the discussion as to the regulatory functions and applicability of its passage to the experts, we do offer these reasons why many parents in our community are strongly opposed to the decriminalization and/or legalization of marijuana: the legalization of recreational marijuana is a serious and major policy change for our community. Significant to our concern is its potential impact on Hawaii's families although we acknowledge that opposite views exist in this regard and many studies have yielded mixed results.

Although there is some activity on the congressional level, **marijuana is still currently illegal under federal law**. While Hawaii has legalized marijuana for medical purposes, it is still illegal to possess, use or distribute marijuana according to federal law.

**Let's fix one problem before we create another one**. A report released by the Youth Risk Behavioral Surveillance System on August 20 reported that 48.3% of high school students and 30.6% of middle school students surveyed in the state said they tried ecigarettes at some point. The introduction to HB1328 (2021 – Hawaii) states that the "[r]esults from the 2019 Youth Risk Behavior Survey released by the Centers for Disease Control and Prevention showed an increase in youth e-cigarette use among high school students in Hawaii. Nearly one in three high school students, or roughly thirty-one per cent used e-cigarettes in the last thirty days, an increase from 25.5 per cent in 2017. Additionally, the percentage of frequent high school users doubled from 5.1 per cent in 2017.1"

If the youth in Hawai'i are already dabbling in an illegal substance at such high rates, even with the attempt to provide deeper restrictions, do we really believe that marijuana will somehow escape their attention and use?



SB 767 Relating to Cannabis Page Two

In fact, the use of edible products are just one of the ways that our youth could access marijuana in a seemingly innocuous manner and that could be a huge unintended consequence. Marketing for these products have almost always had a leaning toward the enticement of young people.

According to Jonathan P. Caulkins, "The Real Dangers of Marijuana," (2019) [o]ne could speculate that legalization might make marijuana abuse and dependence less common, because generally healthy people will start to use occasionally, and that influx could dilute the proportion who abuse or are dependent. But one could just as easily speculate that legalization will bring more marketing, more potent products (like "dabs"), or products that are more pleasant to use (like "vaping" pens), any of which could increase the risk that experimenting could progress to problematic use. This is all speculation, of course. But what can be said empirically is that, within the context of aggregate use in the United States at this time, the best available data suggest that marijuana creates abuse and dependence at higher rates than does alcohol.<sup>2</sup>"

Let's fix the vaping problem in Hawaii before we create a situation that may very well be exacerbated by legalized recreational marijuana.

Finally, family factors can serve both protective and risk functions in adolescents' substance use. News stories showed clips of our keiki claiming they were able to access illegal substances because of an adult in their own family network. These same individuals have been the connection for their ability to gain easy access to marijuana purchased by adults for "medicinal" use.

The bottom line is that by decriminalizing and/or legalizing 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, or by reinforcing beliefs that marijuana use is not harmful. If marijuana possession is no longer a punishable offense it will be more readily available, as users of marijuana will no longer be deterred by fear of punishment. Surely Hawai'i deserves better than that!

Mahalo for the opportunity to submit our concerns.

<sup>&</sup>lt;sup>2</sup> https://www.nationalaffairs.com/publications/detail/the-real-dangers-of-marijuana (accessed 02/14/21)

Submitted on: 2/15/2021 12:13:05 PM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jerald Dolak	Testifying for HHVISA	Oppose	No

#### Comments:

Simply look at every other state that has tried this and you'll find increased homelessness, crime and emergency room visits including exposure to children and unremarkable tax revenues <a href="Windfall">Windfall</a>, they said. Why Massachusetts marijuana taxes are disappointing so far - The Boston Globe. Colorado has plenty of data to confirm the terrible physiological and physical effects of legalized marijuana. Watch the Pueblo Physicians Code Red series of videos (2016). Start with a presentation by Dr. Karen Randall (<a href="https://www.youtube.com/watch?v=Gs9X2qpGoUY">https://www.youtube.com/watch?v=Gs9X2qpGoUY</a>) The marijuana today is far from the stuff a decade ago, the harm of just a small amount of today's marijuana compared to the moderate use of alcohol is stunning. Hawaii made history in such a positive way to make smoking less accessible to our youth and legalizing marijuana is a step backwards.



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

February 16, 2021

To: Senator Clarence K. Nishihara, Chair, Senate Committee on Public

Safety, Intergovernmental and Military Affairs; Senator J. Kalani English,

Vice Chair; and members of the Committee

From: Carol McNamee and Arkie Koehl, Public Policy Committee - MADD

Hawaii

Re: Senate Bill 767 – Relating to Cannibis

I am Carol McNamee, speaking on behalf of the Hawaii Chapter of Mothers Against Drunk Driving to <u>offer comments</u> concerning Senate Bill 767, Relating to Marijuana.

Approximately four years ago, the National MADD organization amended its mission by adding, "to help stop *drugged* driving" to the original "to end *drunk* driving." This was a major step taken after over 10 years of evaluating the problem of impairment caused by substances other than, or in addition to, alcohol.

However, MADD, at the National and therefore also at the local level, does not have a specific position on the legalization or decriminalization of Marijuana. Thus, <u>our testimony will be limited to sharing information and data relating to marijuana and highway safety.</u>

In October, 2019, MADD Hawaii sponsored a conference on the subject of Drugs and Driving, focusing especially on drivers aged 16 to 28 because they seemed to be over-involved in local fatality and injury data. Speakers at the conference included a researcher and data analyst from the state of Washington, the Chief of Police from Loveland, Colorado who speaks at national conferences across the country, and the Director of the Department of Transportation from New Mexico. In addition, the conference included a discussion of drugs and driving by six <u>local</u> experts in the fields of highway safety, drug enforcement, and drug assessment and treatment. The goal of the conference was to better understand the issue of drugs and driving and then how best to educate members of the community who come into contact with teens and young adults.

- Evaluating impairment relating to drugs is very different from measuring impairment by alcohol. There are no specific numbers to assess levels of impairment as there is with alcohol. However, law enforcement's highly trained drug recognition experts have the skills to assess an impaired person and determine the category of drug or drugs that have been ingested.
- 2. Hawaii's annual fatality statistics show an increasing number of traffic deaths connected to the presence of drugs. That includes marijuana. (Hawaii Department of Transportation Motor vehicle safety office)
- 3. Motor vehicle crashes are the leading cause of death for U.S. teenagers. These young drivers are at-risk for crashes because of their inexperience. Alcohol, marijuana, and certain other impairing substances put them at even higher risk of being in a crash. (CDC)
- 4. Teens are more likely to drive under the influence of drugs than alcohol.
- 5. In 2016, FARS (The Fatality Analysis Reporting System of the National Highway Safety Administration NHTSA), found that drugs were present in 43.6% of fatally injured drivers with a known drug test result a major increase from 2005 when the drug presence was 27.8%. Marijuana was the most commonly found drug.
- 6. The combination of marijuana and alcohol can dramatically impair driving performance. (Clinical Chemistry 61, 850-869 Also found true in Washington State studies) This combination is NOT uncommon. In fact, the following is a quote from a Hawaii journal of Trauma Acute Care Surgical:
  - "Our data confirm that over two thirds of fatally injured, THC-positive drivers also consumed alcohol. Alcohol exacerbates the neurocognitive effects of cannabis, particularly regarding impaired driving. This may contribute to the increasing rate of THC-associated fatalities in Hawaii." (May 2018)
- 7. A September 2018 report from Colorado (*The Legalization of Marijuana in Colorado: The impact*) showed that:
  - Since recreational marijuana was legalized (2013), marijuana related traffic deaths increased 151 percent while all Colorado traffic deaths increased 35 per cent.
  - Marijuana-related traffic deaths increased from 11.43 percent in 2013 to 21.3 percent in 2017.
  - A Colorado Department of Transportation survey found that 69 percent of self-identified marijuana users admitted to driving after consuming marijuana.

Thank you for the opportunity to submit this information.





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

#### **TESTIMONY IN SUPPORT OF SB 767**

TO: Chair Nishihara, Vice Chair English & Members of the

Senate Committee on Public Safety, Intergovernmental, and Military Affairs

FROM: Nikos Leverenz

**DPFH Board President** 

DATE: February 16, 2021 (1:00 PM)

Drug Policy Forum of Hawai'i (DPFH) **strongly supports** SB 767, which would legalize the personal use, possession, and sale of cannabis.

The taxation and regulation of adult-use cannabis will generate income and excise taxes that will augment the legislature's ability to satisfy its year-to-year budgetary priorities.

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

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

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

cannabis prohibition, like the larger drug war, compounds the harm of extensive involvement in the criminal legal system by Native Hawaiians and other residents significantly impacted by social determinants of health.

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

<u>Long term arrest data</u> indicates that Native Hawaiians are disproportionately impacted by overcriminalization of cannabis in every county. <u>A misdemeanor conviction features many "collateral consequences" that impact an individual's ability to obtain employment, housing, and education.</u>

Cannabis prohibition also needlessly raises the costs to Hawaii's criminal justice system, where terms of probation or parole are lengthened apart from a more calibrated determination of increased safety risks to the community. Prolonged periods of probation or parole increase the likelihood of a return to jail or prison at great cost to state taxpayers. A recent report from the Pew Charitable Trusts found that this state has longest average term of probation at almost *five* years.

While cannabis use is not entirely devoid of individual health risks, its use does not produce the injury, illness, and death resulting from regular or problematic use of alcohol or tobacco, two widely used licit substances that are not included in the federal Controlled Substances Act.

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

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

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.")

Drug Policy Forum of Hawai'i SB 767 – SUPPORT February 16, 2021 (1:00 PM)

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

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





To: Senator Clarence Nishihara, Chair

Senator Kalani English, Vice Chair

Members of the Senate Committee on Public Safety, Intergovernmental, and

Military Affairs

Fr: Randy Gonce, Executive Director of Hawai'i Cannabis Industry Association

Re: Testimony in Support on Senate Bill (SB) 767

**RELATING TO CANNABIS** 

Legalizes the personal use, possession, and sale of cannabis in a specified quantity. Requires licensing to operate cannabis establishments. Subjects cannabis establishments

to excise taxes and income taxes.

Dear Chair Nishihara, Vice Chair English, and members of the committee,

The Hawai'i Cannabis Industry Association, formerly known as the Hawai'i Educational Association for Therapeutic Health, represents all eight of the state's licensed medical cannabis dispensaries. HICIA is in **support** of SB767 but wants to offer additional comments to consider when setting up an adult use program for the state of Hawai'i.

The HICIA supports the intent of legalizing cannabis in the state of Hawai'i for adult use. HICIA wants to ensure that when/if an adult use program is implemented that the medical cannabis program under HRS 329 is still operational - A dual use system.

Additionally, HICIA is in support of an adult use program that is set up to allow local residents to enter the industry. Licensing requirements need to be attainable for the small craft cannabis market in Hawai'i and the local family business needs to be able to compete for licenses fairly to those who have access to large capital.

HICIA is available to assist with cannabis industry exper

Mahalo for the opportunity to testify.

<u>SB-767</u> Submitted on: 2/12/2021 12:30:09 PM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Michael Golojuch Jr	Individual	Support	No	

Comments:

Aloha Senators,

I fully support Senate Bill 767.

Mahalo,

Michael Golojuch, Jr.

Submitted on: 2/12/2021 3:20:23 PM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Joseph Brown III	Individual	Support	No

#### Comments:

Aloha Chair, Vice Chair, and members of the Committee,

I write in STRONG SUPPORT of this measure. It is long past time for Hawai'i to legalize recreational cannabis. Currently, 15 States and Washington D.C. have legalized recreational cannabis. It's worth listing out each state to note that legalization has been enacted in liberal and conservative states alike - Washington, Oregon, California, Alaska, Nevada, Arizona, Colorado, Montana, South Dakota, Michigan, Illinois, New Jersey, Rhode Island, Vermont, and Maine. More states are likely to follow the trend this year including Virginia, and potentially Wisconsin and New York. Furthermore, according to a Gallup poll taken at the end of 2020, 68% of Americans support the legalization of recreational cannabis, an all-time high demonstrating that prohibition is deeply unfavored by the vast majority of our country.

More importantly, the war on drugs has been an immoral failure. Not only did it fail to limit the drug trade or address addiction, but it fueled racist mass incarceration and created more violence and terror. Cannabis has been proven to be no more dangerous than alcohol consumption, and that more and more states continue to legalize proves that fear mongering by those who oppose it is baseless and irrantional.

But perhaps even more compelling to the Legislature at this time is the additional revenue our State could see. The right-center Tax Foundation conservatively estimates that Hawai'i could see an additional 28.5 million dollars in revenue from taxing cannabis sales. Considering our state's historical reputation regarding cannabis (e.g., maui waui/wowie), and our designation as a top tourist destination, it's likely that our out-of-state tax revenue would be a lot higher than the Tax Foundation's estimate, perhaps anywhere from 30-50 million dollars. As you all know, the pandemic has caused our state to face a serious budget shortfall, and such additional revenue would go a long way to making up for any losses. New revenue sources like cannabis legalization should always be the first option before proposed spending cuts as has been proposed by the Governor.

The time is right for Hawai'i to legalize. It's no longer a matter of "if," but "when." Will we choose to join the fifteen other states now, when we need the money most, or will we wait out the inevitable for no reason other than outdated thinking and unsubstantiated fear mongering by right-wing extremists?

Mahalo,

Joey Brown

Kailua, 96734

<u>SB-767</u> Submitted on: 2/12/2021 10:19:29 AM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Mike Golojuch, Sr.	Individual	Support	No

Comments:

Definitely pass SB767.

Submitted on: 2/12/2021 4:58:06 PM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
John Bruce	Individual	Support	No

#### Comments:

This bill must be passed. For the tax revenue at least. Legalizing cannabis is an effort whose time has come. Through the decades long prohibition many functional solvent citizens have been turned into law breakers by draconian laws. The initial ant-cannabis laws were racst and class based. Individuals incarcerated for using cannabis should have their sentences anulled as well. Evidently our governor has been against legalization, holding up the implementation of similar bills in the past. What will it take to get him to approve of and sign this bill if passed by the legislature? Whatever that may be, do it. It's the mature thing to do.

<u>SB-767</u> Submitted on: 2/12/2021 7:25:04 PM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Thomas Brandt	Individual	Support	No	

Comments:

Support.

Submitted on: 2/12/2021 7:01:45 PM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Phil Robertson	Individual	Support	No

#### Comments:

I think we should tax legal cannabis and not spend any morre public monies to incarcerate people for cannabis offenses. As a jury foreman some years ago, I do not think most of the jury-pool believe Harry Anslinger's 1937 testimony to Congress; they are much more inclined to believe the LaGuardia Report by the New York Academy of Medicine in 1944, which concludes that cannabis is not addictive for any user and can be used for periods of years without any physical or mental deterioration which may be attributed to the drug.

I do not believe the federal government, the last forty years of drug czars lying to the American people, and the DEA who testify that cannabis or marijuana and THC are harmful. I think over the 84 years since Anslinger testified, most of the American people do not think he told the truth.

You can read Harry Anslinger's testimony at hempfarm.org

I do not think you can believe the federal authorities when it comes to cannabis. We need checks and balances on some of those people in out nation's capitol.

Submitted on: 2/13/2021 12:29:55 AM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
David Whitney	Individual	Support	No

### Comments:

I think Hawaii should legalize responsible, adult-use cannabis. There are much more important things to spend our currently stressed tax dollars on, and it represents a significant opportunity for tax revenue. I lived in Amsterdam for over a year, and really, a small percentage of the population was even interested. The negative effect of legalization was minimal.

Submitted on: 2/13/2021 7:34:06 PM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
John Fitzpatrick	Individual	Support	No

#### Comments:

Aloha honorable Senators,

I am in strong support of SB 767 wich would allow the small scale growth and sale of marijuanna. Although I do not use the drug, I have seen first hand how it helps cance patients, those suffering with ptsd, and helps so many people address their medical conditions. We should no longer be sending people to jail because they us marijuana in their everyday lives. The time to stop villifying people like my father who uses it medicinally need to end. Please pass this bill and use the money to set up drug rehab facilities to help people with addiction to alcohol, coccaine, heroine, and oxycotin to name a few get the help the need.

Mahalo,

Fitz

Submitted on: 2/13/2021 10:39:31 AM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Peggy McArdle	Individual	Support	No

### Comments:

The legalization of cannabis is long overdue in Hawaii State. Many conservative states have already legalized recreational cannabis. What is Hawaii waiting for? With Hawaii's economy reeling from the pandemic shutdowns, a new revenue source from the taxation of cannabis would be a welcomed windfall to Hawaii's State's coffers. I strongly SUPPORT this measure. Mahalo.

<u>SB-767</u> Submitted on: 2/13/2021 11:35:33 PM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Raelyn Reyno Yeomans	Individual	Support	No

Comments:

Strong support!

<u>SB-767</u> Submitted on: 2/14/2021 12:25:29 PM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jennifer Torres	Individual	Support	No

## Comments:

Please legalize personal cannabis use,

Submitted on: 2/14/2021 1:34:59 PM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Nanea Lo	Individual	Support	No	

#### Comments:

Hello,

My name is Nanea Lo and I'm writing in Strong Support of SB767.

This is why you should support it too:

- Prohibition has completely failed to reduce marijuana use.
- Prohibition has resulted in mass incarceration and over-policing.
- Prohibition exacerbates institutional racism within the prison system.
- Marijuana is more than 100 times safer to use than alcohol.
- Marijuana has legitimate medicinal value.
- Youth marijuana use rates have remained stable after legalization in other iurisdictions.
- Legalization has not made our roads less safe.
- Legalization has not resulted in a public health crisis.
- Marijuana legalization is linked to lower rates of opioid related harm.
- Legalization will save the state hundreds of millions of dollars in criminal justice costs.
- Legalization will generate hundreds of millions more in new revenue.
- Revenue from regulating cannabis sales has been put to immense social good.
- A legal cannabis industry would create thousands of new jobs.
- A legal cannabis industry would undercut the black market.

Please support SB 767.

me ke aloha 'Ä• ina,

Nanea Lo

Submitted on: 2/14/2021 9:29:16 PM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Ramona Hussey	Individual	Support	No	

#### Comments:

Committee members,

I urge you to pass this bill. I am 70 years old and do not use marijuana myself. However, I have friends and family who do use cannibis, and many who have done so since the 1960s, with no ill effects! For some it is truly medicinal (whether or not the have a prescription). For others, it is simply a safe way to unwind and relax. There have been SO many decades of safe use that it is truly ridiculous to continue to make this product illegal. Please support the legalization of cannibis for responsible adult use. Please.

Submitted on: 2/14/2021 10:50:22 PM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Dylan Ramos	Individual	Support	No

#### Comments:

Aloha,

Below are some comments that I believe can help strengthen this bill, but I'd like to make it clear from the outset that I strongly support SB767. Sensible drug policy, criminal justice and policing reform, promoting business and entrepreneurship, a revenue-generating tax in exchange for something people actually want — these are all solid reasons to support legalization of recreational and responsible cannabis by adults.

In terms of strengthening this bill, I would first amend Section 4, subsection (2) of the proposed Chapter (Section 2 of SB767, page 12, lines 9-13), "Regulation of cannabis; rules." In keeping with the well-intentioned spirit of making cannabis business opportunities accessible, as mentioned at the start of § -4, I believe the \$5,000 application fee cap should be lowered. Since the proposal already provides for the ability to raise the fee in case of administrative needs, I propose the cap be lowered significantly, perhaps to \$2,500.

When it comes to employers and the workplace, I suggest amending § -5, Effect on employers, specifically subsection (2) found on page 14, lines 6 and 7. If this bill is to make any sense and follow the same logic as its justification, we should not permit unfair discrimination against responsible adults who use cannabis during their time at home. While I understand it may take more specific language and that certain jobs may still mandate a zero-use policy, there are models in other states for legislation that accommodates off-the-job cannabis use, much like laws regarding alcohol consumption.

On a similar note, while separate legislation may be required to fully cover this, § -6, Effect on intoxicated driving laws, notwithstanding chapter 291E, may be improved if language is included that differentiates between noticeable, current intoxication as opposed to any blood or similar tests. This is a difficult subject to tackle, both legally and scientifically, but it is simply bad policy to allow for persecution based on numbers that may not reflect intoxication at the time of driving and arrest.

Lastly, regarding Section 4 of SB767 (page 16, lines 1-3), I hope this language does not preclude steps toward restorative justice. The introduction of this bill specifically points to the federal MORE Act, and I think it would be shameful if Hawai'i's legalization process makes a nod to expungement yet doesn't include efforts to reverse

consequences of the failed War on Drugs. Separate orders and proper case prioritization by prosecutors can make a big difference, but our legislative branch, if legalizing cannabis, should make clear that non-violent and low-level crime purely related to cannabis charges are no longer persecuted.

Thank you,

Dylan Ramos

96816

Submitted on: 2/15/2021 12:03:37 AM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Sheala Karratti- Humphries	Individual	Support	No

#### Comments:

I am born and raised in Hawaii and of mixed native decent, therefore I only wish to support what would be good for our land and for our people - native and not, of Hawaii.

This will not be an eloquent testimony, so sorry in advance...

- 1) it will generate income for our state. We are so dependent on outside money and we should take steps toward a more sustainable economic future and I believe locally owned and grown cannabis is one of the answers. There will be many residents who will want to create businesses, work for, and also be patrons of locally grown cannabis for health reasons and otherwise. It could open up a whole new tourism venture, as well as be a valuable export and the revenue it generates could be put back into our local communities.
- 2) Decriminalizing it will lift a weight off of our criminal justice system. Law enforcement can focus on serious crimes instead of busting someone for possession of weed. Also by decriminalizing it, it could undermine the black market for it.
- 3) Compared to legal drugs like alcohol, tobacco, and opioids, cannabis use is fairly safe. It may also help people dealing with opioid addiction. I have personally seen the harmful effects that alcohol can have on a person as well as the harmful effects of tobacco and opiod abuse even if the opioids originally were prescribed legally. I know that everyone knows at least someone who uses or have used cannabis at least some point in their lives, and although I can't speak for anyone but myself, the use of cannabis has not created any of the negative effects as I've seen alcohol, tobacco, or opioid use has caused.

I fully support the legalization of adult-use cannabis in Hawaii.

Submitted on: 2/15/2021 6:03:24 AM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
jacqueline kippert	Individual	Support	No

### Comments:

Just look at all the states that have already legalized cannabis and the revenue generated. The decrease of other harmful substances from opioids to alcohol. Release the stigma and allow a natural plant to become medicine.

WE NEED THE REVENUE from the TAXES!

# <u>SB-767</u>

Submitted on: 2/15/2021 11:49:42 AM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Shannon Rudolph	Individual	Support	No

### Comments:

States are making billions on legal weed - we are soooo missing the boat on this income! Now, more than ever, we need this money - not to mention the savings on policing & incarceration.

Quit dragging your feet on this - the drug war is over, drugs won.

Submitted on: 2/15/2021 9:57:40 AM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Oliver Gaskell	Individual	Support	No	

Comments:

Aloha,

I wish to provide support for the legalization of Cannabis in Hawaii. States across the United States of America have legalized cannabis and provide both a clear model for implementation, and a large fact base to support the benefits of legalization. My two major points of support are:

- 1) Prohibition has not restricted supply. Cannabis is used regularly and supplied on the black market. This has many issues but by choosing to regulate cannabis will allow for a cleaner product, reducing health risks for those obtaining the drugs on the black market. Additionally, legalizing cannabis would remove a source of funding to gangs and cartels who benefit from the illegal sale of the product.
- 2) Legalizing cannabis has been proven to create jobs and revenue for states. Colorado and Oregon both use taxes on cannabis to fund public education and other social goods. In a time when budgets are being undercut by COVID-19, legalization would provide the legislature with a shot in the arm of funding and enable our state to continue to invest in quality public education for all.

Mahalo

Submitted on: 2/15/2021 12:45:48 PM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Austin R	Individual	Support	No

#### Comments:

Cannabis has been widely known and used as a safe, effective medicinal treatment option for thousands of years in many ancient and contemporary societies. Modern scientific advancements have shown that cannabis does not cause bodily harm when it is consumed; this is especially the case when it is consumed via ingestion.

Hawai'i has had medical cannabis legalized for over two decades now, and us citizens have all seen what kinds of benefits recreational cannabis can bring to communities on the mainland that have voted for recreational legalization. From increased tourism into the state of Colorado, to increased access to funds for public education projects in Washington, it cannot be denied that legalized cannabis would open up a revenue flow for the State of Hawai'i, which is currently dealing with the ongoing effects of the COVID-19 economic recession.

Cannabis has been shown time and time again to be safe for human consumption, a healthier alternative to the recreational consumption of alcohol, even. Hawai'i has historically and contemporarily faced community crises involving individuals choosing to consume drugs that are known to be unsafe, (such as Methamphetamine, which has been proven in countless studies to leave long lasting damage to the body as well as negatively affect the social wellbeing of users and the communities they live in), and this problem stems from the fact that many citizens in our communities do not have safe access to lab-tested, controlled cannabis.

People in our communities who must turn to black market options in order to purchase a drug that *should* already be distributed legally in stores in our state open themselves up to potential risks associated with the purchase and consumption of drugs from the black market. People purchasing cannabis on the black market are not necessarily able to verify the quality and authenticity of the products they are purchasing from street dealers. This lack of authentication opens up possibilities of poisoning by way of a methamphetamine-laced cannabis cartridge, the accidental consumption of K2 ("Spice"), and other dangerous cannabis-product knock offs.

Citizens of Hawai'i deserve to have safe options to purchase cannabis goods. The legalization of cannabis recreationally would open up the option for our communities to safely purchase cannabis at authorized dispensary outlets. The State of Hawai'i deserves to have a diversified revenue stream that is not entirely reliant on the

continuous arrival of tourists. Cannabis legalization would allow for the State to implement a system for taxes to be collected on cannabis, like other controlled substance, such as alcohol or tobacco. Our prison systems in the State, like many others across the country, are overcrowded. The legalization of recreational cannabis would lessen the burden on our correctional facilities by keeping non-violent "offenders" from having to enter into the prison system in the first place.

It is a shame that many of our community members remain behind bars, for decades now, for "crimes" such as the possesion of small amounts of cannabis during an era when the science, safety, and efficacy of cannabis were not known. These non-violent "offenders" remain behind bars, straining our correctional system's resources, while others on the mainland who committed the same "crimes" (read: had a bag of cannabis on them in the 80's or 90's) have already been out of the system for years now, thanks to their state government having legalized the use of cannabis for adults.

### To conclude:

Hawai'i should have been the *first* state to legalize the recreational use of cannabis. In the wake of the COVID-19 pandemic, it is time that our state government recognize that legal cannabis is an effective revenue stream. Our community members across Hawai'i continue to utilize cannabis in their daily lives, even if it is not recreationally legal. The State must recognize that providing our communities with access to safe, authenticated cannabis products at dispensary locations will greatly reduce the potential for exposure to dangerous substances by way of the black market.

I am 22 years old, and have been an active voter since turning 18.

# I will not vote for any elected official who declines to legalize recreational cannabis.

This issue is a dealbreaker to me. Elected officials must not deny the science of cannabis, nor the potential for revenue generation in the State of Hawai'i.

Mahalo.

Submitted on: 2/15/2021 12:46:33 PM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
donn viviani	Individual	Support	No

#### Comments:

I support this bill. In 1972, the National Commission on Marijuana and Drug Abuse recommended decriminalization of possession of marijuana for personal use. I am 73 year old, well-off white man. I have no doubt that I would have a cannabis-related criminal record by now, save for white privilege.

While there may be less enforcement/judicial bias against minorities then in the past... it has not disappeared. Please pass this during Black History Month and, at least in the case of cannabis, make everyone equal in the eyes of the law Mahalo Donn Viviani Kailua

### TO: COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY AFFAIRS

FROM: Wendy Gibson-Viviani RN/BSN

RE: SB767 (In **Support** of legalization of Cannabis for Personal Use)

Hearing: Tuesday, February 16, 2021 at 1 PM via Videoconference



Aloha Senator Clarence K. Nishihara, Chair, Senator J. Kalani English, Vice Chair and Honorable Members of the Committee,

In 1971 Richard Nixon declared drug abuse to be "Enemy number ONE" and launched a vicious racist War on Drugs. This is now known to be a War on People who use marijuana that specifically targeted Nixon's enemies: Vietnam War protesters and black people.

The Schedule I drug assignment (in the Controlled Substance Act) was never based upon public health or safety issues. It was not based upon any science about the habit-forming, yet non-toxic plant, Marijuana.

**In 2011**, the Global Commission on Drug Policy said that the decades-old "global war on drugs has failed, with devastating consequences for individuals and societies around the world." And that **"governments should explore legalizing marijuana** and other controlled substances". <a href="https://www.globalcommissionondrugs.org/reports">https://www.globalcommissionondrugs.org/reports</a>

For an overview of the politics of prohibition, the rise of the carceral state and policing please see the Last Prisoner Project's publications: https://www.lastprisonerproject.org/policy-and-advocacy

Starting in 2012 States in the U.S.A. have been legalizing marijuana for adult use. To date, we have 14 States, Washington D.C, Guam, and the Northern Mariana Islands that have adult use legalization. The countries of Canada, Mexico and Uruguay have too. Nearly every State allows for some type of medical use.

Prohibitionists have been raising the alarms about addiction, brain damage, schizophrenia, reefer madness leading to violence, death from motor vehicle accidents and medical emergencies of all sorts. They predicted a rise in use by youth and justify keeping it illegal to save the children. They have been making some of these claims since the 1920s, yet as rates of marijuana use continually climbed the rates of schizophrenia stayed the same.

Youth use did not go up. With the exception of one slight rise in traffic accidents, none of the other harms predicted have come true.

I believe that this **failed** war on drugs has led to more collateral damage to society than actual use of the drugs has. It is a violent, racist war with huge, devastating, unintended consequences.

Collateral Damage includes:

Mass Incarceration of MILLIONS of people in the US, and a subsequent loss of jobs, homes, families and freedom to use a substance that is less harmful than alcohol.

Political destabilization, violence and human civil rights abuses around the world (think Colombia and cartels)

the Global Commission on Drug Policy suggested that: Instead of punishing users who the report says, "do no harm to others", governments should end criminalization of drug use, experiment with legal models that would undermine organized crime syndicates and offer health and treatment services for drug-users in need.

The commission called for drug policies based on methods empirically proven to reduce crime, lead to better health and promote economic and social development.

I am a responsible cannabis user as are many millions of other adults. I am a medical cannabis nurse and I do not drink alcohol because I don't put toxic chemicals into my body. Alcohol is a toxin and carcinogen. When I want to relax, I prefer to use cannabis and would like to do so legally. I believe that: If you want to save democracy, you had better start using it.

Please consider these reasons when making your decisions. Please pass this bill.

Thank you,

Wendy Gibson-Viviani RN/BSN

Kailua



### **Testimony Against SB 767 - Relating to Cannabis**

Hearing on Tuesday, 2/16/21, 1:00 pm Via Videoconference at the State Capitol

To: Committee on Public Safety, Intergovernmental and Military Affairs

Senator Clarence K. Nishihara, Chair Senator J. Kalani English, Vice Chair

Fr: Alan Shinn

2869 Park Street Honolulu, HI 96817

Please accept my testimony against SB 767 – Relating to Cannabis, which legalizes the personal use, possession, and sale of marijuana in specified quantities. It also sets up licensing to operate cannabis establishments and subjects these establishments to excise tax and income taxes.

In Hawaii, there lacks clear and convincing rationale for marijuana legalization. Possession of small amounts of pot is already decriminalized to a citation and possible monetary fine. No one goes to jail for possession and use of small amounts of weed. Legalization will not decrease the black-market sales of marijuana due to pricing differences. Medical use of marijuana has been expanded to include a wide array of health and psychological issues not necessarily backed by science.

While marijuana commercialization will create jobs and revenue, it also comes with associated health and social costs such as drugged driving and fatal crashes, hospitalizations, increased substance abuse and addiction among adults as well as our youth, and additional enforcement issues with the illicit market.

In addition, the country is still dealing with an opioid epidemic worsened by the COVID pandemic, with several hundred people dying daily from opioid related overdoses (NIH). Hawaii has an on-going issue with opioids and overdose deaths. Introducing more drugs in Hawaii that can cause potential harms is illogical and ill timed.

Instead, we should advocate a public health-based strategy for marijuana instead of legalization. This means implementing a public health policy driven strategy emphasizing decriminalization, with more funding into prevention, assessment, early intervention, and treatment.

Thank you for the opportunity to submit testimony on SB 767.

<u>SB-767</u> Submitted on: 2/15/2021 1:39:31 PM

Testimony for PSM on 2/16/2021 1:00:00 PM



Submitted By	Organization	l estifier Position	Present at Hearing
Carla Allison	Individual	Support	No

### Comments:

My name is Carla Allison I support SB767. It is time for Hawaii to move forward, learn from other states and develop a legal cannabis industry in our state. Please support SB767. Thank you.



Submitted on: 2/15/2021 1:41:04 PM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Submitted By Organization		Present at Hearing
Michelle Park	Individual	Oppose	No

### Comments:

Dear Committee Members,

I am in opposition to SB 767 which allows for possession of cannabis. As a concerned community citizen, our Kaneohe community and state have already seen the impact of use for medicinal marijuana. There are more citizens using including adolescents. By allowing the legalization it gives the impression to youth that substance use is not a problem when it is in fact a problem and financial strain on our state. There are a vast number of social impacts as well.

Of concern is the number of persons with addiction and how available treatment services are to individuals that need treatment. Prior to the legalization of medicinal marijuana/cannabis, treatment admission in Hawaii shows that marijuana is one of the top 3 substances of admission for both adolescents and adults. To this day treatment services are limited for individuals not to mention the very limited number of residential services for adolescents.

The rate of traffic violations for marijuana/cannabis use has increased since the legalization of medicinal marijuana/cannabis. The Department of Transportation has seen an increase of poly-substance use (use of multiple drugs) in a traffic stop and toxic screening to show that marijuana/cannabis is one of several drugs in a person's system when they are stopped in a routine traffic stop. This is further proof that the individual is impaired to be in the operation of a vehicle and puts the public at harm when this individual is on the road.

Lastly, the rate of crime increases exponentially in all communities. This is seen in vandalism, forced entry, car thefts, and assaults. There is multiple documentation of this from many other states that have been more liberal in the legalization of medicinal and recreational marijuana/cannabis.

I do not see a benefit to legalizing marijuana for the state when we have so many obvious reasons why it is a current problem in our state and within the nation.

With concern for our state and communities of Hawaii.

Michelle J. Park



<u>SB-767</u> Submitted on: 2/15/2021 2:39:51 PM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Marion McHenry	Individual	Support	No

Comments:

I support this common sense bill. It is past time.

Sincerely,

Marion McHenry



Submitted on: 2/15/2021 3:11:24 PM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Samantha Fannon	Individual	Support	No

### Comments:

Hello to whom it may concern,

My name is Samantha and I am writing in support of SB767 Relating to Cannabis. During the last local election cycle, there was a question asked to almost every candidate about how they believe Hawai'i can diversify its economy. It is not a secret that our economy relies heavily and mostly on tourism, and it is also no secret that Hawai'i struggles with budget issues.

To use Colorado as an example, one of the first states to legalize recreational cannabis in the United States. Their goal was to use the tax money from cannabis sales and put it towards public school construction. They legalized recreational cannabis in 2014 and have funneled tens of millions of dollars towards school construction each year since.

I have had the privilege of living in a state and witnessing what the tax revenue from cannabis can do for an economy. The benefits wildly outweigh the consequences or harm that could come from legalizing recreational cannabis. And with all due respect, I believe all the cons of legalizing cannabis (such as, children getting their hands on it) can all be regulated strictly with age limits/requirements & ID scans or fingerprint scans upon every transaction, as well as other packaging methods similar to what they use for pharmaceuticals.

The benefit of Hawai'i legalizing cannabis would be to diversify our economy while benefitting the tourism industry, and funnel money from revenue towards other important causes: education, homelessness, unemployment, etc.

Then, when we're done legalizing cannabis, let out all the folks who are incarcerated over non-violent cannabis charges.

Thank you for your time and opportunity to testify on behalf of this bill.

Sincerely, Samantha Raven Fannon Honolulu 96822

Council Chair Alice L. Lee

Vice-Chair Keani N.W. Rawlins-Fernandez

Presiding Officer Pro Tempore Tasha Kama

Councilmembers
Riki Hokama
Kelly Takaya King
Michael J. Molina
Tamara Paltin
Shane M. Sinenci
Yuki Lei K. Sugimura



## **COUNTY COUNCIL**

COUNTY OF MAUI 200 S. HIGH STREET WAILUKU, MAUI, HAWAII 96793 www.MauiCounty.us

February 16, 2021



COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL, AND
MILITARY AFFAIRS
Senator Clarence K. Nishihara, Chair
Senator J. Kalani English, Vice Chair
1:00 pm

# SUBJECT: TESTIMONY IN STRONG SUPPORT OF SB767 RELATING TO CANNABIS

Aloha e Luna Hoʻomalu Nishihara, e Hope Luna Hoʻomalu English, a e honorable committee members,

Mahalo for this opportunity to testify in <u>strong support</u> of SB767, relating to cannabis. The Maui County Council unanimously adopted a resolution, just two weeks ago, entitled: *Supporting Legalizing, Regulating, and Taxing Cannabis for Responsible Adult Use.* 

The need is greater than ever to immediately incentivize and develop other revenue generators that will avert laying off and furloughing State employees. The adult-use cannabis industry has the potential to diversify the State's economy, support the medical cannabis industry, while making this medicine more affordable for our residents who need it.

Additionally, I support granting clemency or resentencing to anyone incarcerated on a marijuana conviction and expunging all marijuana convictions. Mahalo for including those important provisions.

Furthermore, I urge this committee to also consider adding to this legislation provisions that:

- 1) Promote equitable ownership and employment opportunities in a legal cannabis industry to decrease disparities in life outcomes for marginalized communities, and
- 2) Creates a democratically selected Hawai'i cannabis control board.

Mahalo for scheduling this important measure and, again, for this opportunity to testify in support. The time is now!

Mahalo,

KEANI RAWLINS-FERNANDEZ Council Vice-Chair

Lesi Rufis-Furndy

Attachment: Maui County Council Resolution 21-19, "Supporting Legalizing, Regulating, and Taxing Cannabis for Responsible Adult Use"

# Resolution

No. \_\_\_\_\_21-19

# SUPPORTING LEGALIZING, REGULATING, AND TAXING CANNABIS FOR RESPONSIBLE, ADULT USE

WHEREAS, cannabis is in a genus of flowering plants in the family Cannabaceae; and

WHEREAS, cannabis is the correct scientific term, but has been incorrectly referred to as "marijuana," which originated as a slang term, has no scientific basis, and carries prejudicial implications rooted in racial stereotypes from the early 20<sup>th</sup> century when cannabis use was first criminalized in the United States; and

WHEREAS, the term cannabis carries no such negative connotations and is a more accurate and appropriate term to describe the plant, but is still referred to as "marijuana" in laws, government reports, and news articles; therefore, the term marijuana will only be used within this resolution when it is in a title or law; and

WHEREAS, the Controlled Substances Act of 1970 does not recognize the difference between medical and recreational use of cannabis, and both remain illegal under Federal law; and

WHEREAS, as reported in *U.S. News* on November 13, 2020, cannabis is legal for all adult use in Washington, D.C., Guam, and 15 states: Colorado, Washington, Alaska, Oregon, California, Maine, Massachusetts, Nevada, Michigan, Vermont, Illinois, Arizona, Montana, New Jersey, and South Dakota; and

WHEREAS, cannabis is legal for medical use in 34 states; and

WHEREAS, Hawai'i passed its medical cannabis statute via Act 228 (2000) and authorized the establishment and regulation of medical cannabis dispensaries via Act 241 (2015); and

WHEREAS, Hawai'i has relied on the tourism industry as its main economic driver, but was substantially impacted by the September 11, 2001 terrorist attacks, the Great Recession of 2007-2009,

and the ongoing 2020 COVID-19 pandemic, and the need is greater than ever to immediately incentivize and develop other revenue generators; and

WHEREAS, growth in the cannabis industry has the potential to diversify the County's economy and reduce its reliance on the tourism industry; and

WHEREAS, the National Organization for the Reform of Marijuana Laws reported in 2017 that the legal cannabis industry is responsible for the creation of an estimated 150,000 full-time jobs in the U.S., the largest number of cannabis-related jobs were in California (47,711) Colorado (26,891), and Washington (26,556); and

WHEREAS, according to the Colorado Department of Revenue, it has collected \$1.6 billion in revenue in marijuana excise tax since 2014; and

WHEREAS, according to the Marijuana Policy Project, "As of November 2020, states reported a combined total of \$6.59 billion in tax revenue from legal, adult-use marijuana sales"; and

WHEREAS, the Hawai'i Cannabis Industry Association reported the medical cannabis industry created 636 jobs in Hawai'i and generated \$141.9 million in economic output; and

WHEREAS, the State legislature enacted Act 273 (2019), which provided for the expungement of criminal records pertaining solely to the possession of three grams or less of marijuana; and

WHEREAS, an American Civil Liberties Union report last year, "A Tale of Two Countries: Racially Targeted Arrests in the Era of Marijuana Reform," found:

- marijuana arrests were still widespread across the country;
- extreme racial disparities in marijuana possession arrests persisted throughout the country and have not improved since 2010;
- marijuana arrests decreased after legalization or decriminalization:
- racial disparities in arrests persisted even in states that legalized or decriminalized marijuana; and

• data-collection failures blocked a fuller understanding of racial disparities in marijuana arrests; and

WHEREAS, Act 241 (2015) regulates Hawai'i's medical cannabis dispensaries, requiring dispensary applicants to have \$1 million cash, an additional \$100,000 for each dispensary location, and to pay a \$75,000 licensing fee to the Department of Health within seven days of being selected, enabling only those who had the immediate access to that extent of capital to take advantage of the newly created legal medical cannabis market; and

WHEREAS, convictions for small amounts of cannabis can result in punitive collateral consequences, disproportionately affecting people of color; now, therefore,

# BE IT RESOLVED by the Council of the County of Maui:

- 1. That it supports legalizing, regulating, and taxing cannabis for responsible, adult use;
- 2. That it supports granting clemency or resentencing to anyone incarcerated on a marijuana conviction and expunging all marijuana convictions;
- 3. That it supports promoting equitable ownership and employment opportunities in a legal cannabis industry to decrease disparities in life outcomes for marginalized communities, and to address the disproportionate impacts disparate enforcement of cannabis prohibition has had on those communities;
- 4. That it supports investing in nonpunitive programs and community-based services and divesting from law enforcement related to cannabis;
- 5. That it supports the creation of a democratically selected Hawai'i cannabis control board; and
- 6. That certified copies of this Resolution be transmitted to the Honorable Mazie K. Hirono, United States Senator; the Honorable Brian E. Schatz, United States Senator; the

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# Resolution No. \_\_\_\_\_

Honorable Kaiali'i Kahele, United States Representative; the Honorable Scott Saiki, Speaker, Hawaii State House of Representatives; the Honorable Ron Kouchi, President, Hawaii State Senate; Maui County's delegation to the State Legislature; the Honorable David Y. Ige, Governor, State of Hawaii; and the Honorable Michael P. Victorino, Mayor, County of Maui.

paf:nas:21-030f



Submitted on: 2/16/2021 10:05:33 AM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Paul Marshall	Individual	Support	No	

### Comments:

Princeville

Thank you for considering my testimony. I am a resident of Kaua'i and I am in favor of this bill.

As is made clear in the bill, fifteen states and three U.S. territories have legalized recreational cannabis as of 2020. Hawaii has wisely hesitated to take that step, preferring to observe the outcomes of legalization in the early adopting states. This bill takes into account the mistakes made by other states and is strategically crafted to avoid them.

For example, without proper safeguards, legalization of recreational marijuana can result in local manufacturers, processors, and retailers being pushed out of the market by large regional or national players, which are backed by large investors. It is important that the economic growth stimulated by legalization be localized, and this measure levels the playing field for small local players by mandating that the requirements for issuance of licenses to operate a marijuana facility are not onerous, and that the fees be kept reasonable.

Please support this bill.		
Thank you,		
Paul Marshall		



<u>SB-767</u> Submitted on: 2/16/2021 1:28:28 PM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Submitted By Organization		Present at Hearing
Will Bunkley	Individual	Support	No

## Comments:

I support the legal use of CANNABIS. It is likened to the biblical tree of life and will heal the nations. Use will produce revenue and decrease crime and violence.



Submitted on: 2/16/2021 4:30:46 PM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Georgina Mckinley	Individual	Support	No

### Comments:

I support SB767.

Despite the opinion of the Governor of our state, employees of law enforcement agencies and rehab centers who typically weigh in to oppose any loosening of restrictions relating to prohibition, and the usual chorus of fear-mongering conservatives, the legalization of cannabis for personal or recreational use is a natural, logical, and reasonable outgrowth of the current science of, and public attitude towards, cannabis.

There is no good or logical reason for continuing to penalize the responsible adult use of a substance that is proven to be safer than alcohol, tobacco, and most prescriptive drugs.

There is already a thriving cannabis industry in the state of Hawaii. Anyone who wants it has easy access to it, despite its current illegality - including minors. I support SB767 to legalize, regulate, and tax cannabis for adult use.



Submitted on: 2/16/2021 6:35:40 PM

Testimony for PSM on 2/16/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Christopher Dean	Individual	Support	No

#### Comments:

I do not use any drugs or drink alcohol and I don't recommend smoking pot, but, locking our children up in tiny concrete boxes with dangerous felons and slapping them with a record that will diminish their quality of life forever, is much, much worse than anything smoking pot will ever do to them. The hypocrisy of making pot a schedule 1 narcotic, but then advertising alcohol on TV is beyond compare. Cannabis is the most benign drug there is with zero overdoeses, while alcohol kills 80,000 people from overdosing in America, every year, more than all other drugs combined. Add to that all the deaths from car accidents, industrial accident and just falling out of windows and such. Then the thousands of debilitating injuries suffered because of the effects of alcohol. The stupidity that is the result of the loss of reason and motor functions is the hallmark of taking alcohol, causing it to be far and away, the most deadly drug. Alcohol destroys more lives, more marriages, more careers than all other drugs combined. This is a real no brainer. Instead of wasting our tax dollars on this foolish endeavor of trying to eradicate pot, why not stop all the pain and suffering by legalizing pot and increase your tax revenue? Besides, people who smoke pot, drink less alcohol and that can only be a good thing.