



SENATE COMMITTEE ON HEALTH  
Senator Jarrett Keohokalole, Chair  
Senator Rosalyn H. Baker, Vice Chair

SENATE COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL,  
AND MILITARY AFFAIRS  
Senator Clarence K. Nishihara, Chair  
Senator Lynn DeCoite, Vice Chair

**S.C.R. NO. 221, REQUESTING THE AUDITOR TO CONDUCT A STUDY ON THE  
RELATIONSHIP BETWEEN THE CURRENT PRICES OF AND ACCESS TO  
MEDICAL CANNABIS AND THE VOLUME OF ILLICIT CANNABIS SALES IN THE  
STATE**

**S.R. NO. 214, REQUESTING THE AUDITOR TO CONDUCT A STUDY ON THE  
RELATIONSHIP BETWEEN THE CURRENT PRICES OF AND ACCESS TO  
MEDICAL CANNABIS AND THE VOLUME OF ILLICIT CANNABIS SALES IN THE  
STATE**

Hearing: Monday, March 28, 2022, 1:02 p.m.

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The Office of the Auditor appreciates the opportunity to testify on S.C.R. No. 221 and S.R. No. 214, requesting the auditor conduct a study on the relationship between the current prices of and access to medical cannabis and the volume of illicit cannabis sales in the state, and offers the following comments.

We suggest the resources of our office, where possible, are best used for conducting performance audits. Performance audits provide objective analysis, findings, and recommendations intended to assist management and those charged with governance and oversight to improve program performance and operations, reduce costs, facilitate decision making by parties with responsibility to oversee or initiate corrective action, and contribute to public accountability. Typically, a performance audit assesses a program's operations against appropriate criteria, such as relevant statutes, administrative rules, policies, procedures, and best practices.

The study contemplated in these resolutions requires different skills and expertise from those required to audit a department or agency's operations. As such, we suggest that another agency – such as the Department of Health or the Legislative Reference Bureau – may be better suited to perform the requested study and respectfully request the resolutions be amended to reflect a more appropriately suited agency to perform the work.

Thank you for considering our testimony related to S.C.R. No. 221 and S.R. No. 214.



**Akamai Cannabis Consulting**

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TESTIMONY ON SENATE CONCURRENT RESOLUTION 221  
and SENATE RESOLUTION 214

REQUESTING THE AUDITOR TO CONDUCT A STUDY ON THE RELATIONSHIP BETWEEN  
THE CURRENT PRICES OF AND ACCESS TO MEDICAL CANNABIS AND THE VOLUME OF  
ILLICIT CANNABIS SALES IN THE STATE

By  
Clifton Otto, MD

Senate Committee on Health  
Senator Jarrett Keohokalole, Chair  
Senator Rosalyn H. Baker, Vice Chair  
and

Senate Committee on Public Safety, Intergovernmental, and Military Affairs  
Senator Clarence K. Nishihara, Chair  
Senator Lynn DeCoite, Vice-Chair

Monday, March 28, 2022 at 1:02 PM  
State Capitol, Room 225 & Videoconference

Thank you for the opportunity to offer **SUPPORT WITH CHANGES** on this measure.

Because of the direct impact that the ongoing conflict with federal drug law is having upon dispensary prices and illicit activity within the State, this relationship needs to be included in this resolution, which could be accomplished by the following simple amendment.

BE IT RESOLVED by the Senate of the Thirty-first Legislature of the State of Hawaii, Regular Session of 2022, the House of Representatives concurring, that the Auditor is requested to conduct a study on the relationship between current prices of and access to medical cannabis, and the volume of illicit cannabis sales in the State, and the ongoing conflict with federal law; and

Thank you for considering.

Aloha.

**SCR-221**

Submitted on: 3/25/2022 12:13:46 PM

Testimony for HTH on 3/28/2022 1:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Jennifer Azuma Chrupalyk	Individual	Oppose	Written Testimony Only

Comments:

A year prior to the 1930s prohibition of marijuana, US Patent #6630507 documented that marijuana was the cure for over 109 illnesses, many of them mental health related. Consequently, our brains have 2 endocannabinoid receptors and our digestive systems also have the same 2 processors to digest the beneficial effects of marijuana.

A year after that Patent was written, DuPont Corporation based in Delaware, came out with the Patent for plastic - whose products were already being made with a compostable base - marijuana.

Companies such as Levis, Tupperware, and the medical industry relied heavily upon this textile to make their products. Other companies, such as the former slave cotton plantations in the south, were angry about marijuana "stealing their profits" and those industries agreed with DuPont Corporation that marijuana caused their businesses to fail.

DuPont Corporation approached Legislation to have marijuana banned, but the plant made too much revenues for the country, and was far too beneficial to let go. But a handful of politicians told DuPont Corporation to provide some context that makes marijuana bad, and to create propaganda that would sway the people to believe it.

The following year, videos that most of us adults watched in junior high - were produced, and consequently, legislation was passed to label marijuana as a felony.

Today, you are wanting to measure the impacts of making medical marijuana, but are you aware that some people get medical marijuana cards just by paying the \$175 fee to those doctors? Are you aware that other people refuse to get the card and still smoke? And are you aware that *both* demographics get their marijuana from both - the dispensaries and the streets? Why? Just because you make something legal or illegal, the government's job is not to micromanage people's lives. And while legislation is spending millions of dollar researching something so irrelevant in terms of personal use, people are making their own decisions, as people should.

Legislation to approve the use of marijuana is strictly economic, and in that perspective - legislation would be absolutely stupid to not make marijuana legal. And you cannot convince an educated person that getting marijuana from somebody's back yard is hurting the economy. Metaphorically, people come to Hawai'i and stay at other people's houses all the time,

but staying at someone's house is not illegal and it does not hurt the tourism industry. The same concept applies to marijuana and I believe that legislation could find better ways to spend money, than to do something this redundant.