



Testimony in Support of SB 375 - Relating to Cannabis

February 15, 2023

Chair, Sen. San Buenaventura
Vice Chair, Sen. Aquino
Chair, Sen. Keohokalole
Vice Chair, Fukunaga

Joint Hearing of Senate Health and Human Services and Commerce and Consumer Protection Committees

TESTIMONY IN SUPPORT OF SB 375 - RELATING TO CANNABIS

Dear Chairs, Vice Chairs and members of the Health and Human Services and Commerce and Consumer Protection committees:

Aloha, my name is DeVaughn Ward and I am the senior legislative counsel at the Marijuana Policy Project ("MPP") — the largest marijuana policy reform organization in the United States. As you may know, MPP has been working to improve marijuana policy for more than 25 years.

I am here today to testify in strong support of **SB 375 - Relating to Cannabis**.

SB 375 contains provisions for legal cannabis possession for adults over 21, cultivation rights, and social equity measures — market opportunities and expungement of prior cannabis convictions, which MPP strongly support. However, SB 375 can be strengthened to achieve its intended goals.

I. Cannabis legalization and regulation is far better approach than prohibition

More than eight decades of marijuana prohibition has not worked. Instead, it has derailed lives, torn families apart, wasted vast sums of taxpayer dollars, and put consumers and those selling cannabis at risk of arrest and violence.

Only legalization allows for regulation and control. Potency testing and labeling, child-resistant packaging, consumer education, and rules to prohibit hazardous pesticides and contaminants are only possible in a legal, regulated market. Environmental and worker protections are only possible in a legal, regulated industry.

II. MPP has several recommendations for amendments to SB 375

A. Medical Licensee Conversion Provisions

Section 5 of SB 375 of the bill requires the regulatory authority to issue licenses to Hawaii's eight current medical cannabis businesses for a period of three years prior to any other applicants being allowed to apply for licenses. We recommend reducing the head start to no more than 1.5 years

before other applications can be filed. Missing are proper safeguards to ensure medical cannabis patients will have adequate access when the eight medical businesses convert to also sell to adults over 21. In New Jersey and Connecticut, medical licensees were required to inform regulators of medical patient preservation plans or meet production thresholds to ensure the licensees had adequate supply before they could start adult use sales. We strongly recommend adding the following language to ensure medical cannabis patients' access is not adversely affected by a dual use cannabis model. For example, it could provide,

"The license conversion application shall, at minimum, require a medical cannabis dispensary to submit to, and obtain approval from the department for a detailed medical preservation plan for how it will prioritize sales and access to medical marijuana products for qualifying patients, and to avoid price increases, including, but not limited to, managing customer traffic flow, preventing supply shortages and price increases on patients, and ensuring appropriate staffing levels."

Notably, Section 5 of the bill does not include a licensing fee for the eight current medical licenses to exclusively serve the adult-use market access. There should be a significant licensing fee that would be used to set up regulatory infrastructure and to support training and technical assistance for new market entrants — including those hardest hit by prohibition.

Several other states, including Connecticut and Illinois, take this approach to foster equitable licensing. In Connecticut, medical licensees paid fees between \$750,000 and \$1 million dollars for the ability to convert to hybrid or dual use cannabis establishments and service consumers over the age of 21. In Illinois, medical cannabis businesses paid a fee of approximately \$750,000 to convert to dual use or hybrid cannabis businesses. We strongly recommend amending the language as follows:

"(a) The license conversion fee for a medical cannabis dispensary to become a dual use cannabis dispensary shall be two hundred fifty thousand dollars for medical cannabis dispensaries that owns and operates three or more retail dispensing locations. (b) The license conversion fee for a medical cannabis dispensary to become a dual use cannabis dispensary shall be one hundred fifty thousand dollars for a medical cannabis dispensary that owns and operates two or fewer retail dispensing location."

Also, SB 375 is silent on when new retail licenses will be issued and does not address medical licensees who have multiple retail locations and how they will fit into the "one license each class" framework or the requirement for individual licenses for each location. We strongly recommend clarifying these issues within the bill.

B. Regulatory Framework

Section A-11 establishes a new, all-volunteer regulatory authority for adult-use cannabis. Unlike almost every other legalization state, however, it does not move regulation of medical businesses to the authority. We strongly suggest regulating medical dispensaries and adult use cannabis with a single regulatory authority, or at least including provisions to set up a path for harmonization over time. It could create myriad issues to have one industry regulated by two different authorities. Other legalization proposals introduced this legislative session included such a transition period and plan to have both programs regulated under a single entity.

Additionally, we strongly recommend that regulators be paid, full time and have one person "in charge" or at the top of the hierarchy. Giving an unpaid, part-time commission final authority to write

rules, issue licenses, and discipline licensees is a significant task and will likely cause delay, litigation, and uniformed decision making. Alternatively, a commission could be established with more of an advisory oversight function with unpaid members and have one to three paid regulators at the helm who consider input on rules. We also suggest applying the revolving door language and limits on immediate family involved in cannabis or liquor industry to all authority members, not just those from the public health sector. (P13, L13-20). To address these issues, we offer the following language:

[Change “commission” “division” throughout the bill, and define “division” as the Division of Cannabis Regulation within the department of commerce and consumer affairs]

(a) There is established a Hawaii cannabis advisory commission within the department of commerce and consumer affairs to advise the Division of Cannabis Regulation and legislature on regulating and licensing of the Hawaii cannabis industry.

(b) The commission shall consist of 13 members who shall be residents of the State and of which:

(1) Four persons appointed by the governor; one of whom shall be designated by the Governor as the chair and is an executive branch official, one of whom shall be from a community that has been disproportionately harmed by cannabis prohibition and enforcement, one of whom has a public health background, and one of whom has experience in the cannabis industry.

(2) Two persons appointed by the president of the senate; one who has a professional background of working in the field of either social justice or civil rights, and one who is a medical cannabis patient;

(3) Two persons appointed by the speaker of the house of representatives; who has a professional background of working in the field of economic development, and one who is a member of an organization that advocates for cannabis consumers;

(4) One person to be appointed by the chairperson of the board of trustees of the office of Hawaiian affairs; and

(5) Four persons, one each to be appointed by the respective mayors of the counties.

(c) All appointments shall be made not later than thirty days after the effective date of this act and the Governor shall appoint the Chair and select the initial Executive Director no less than sixty after the effective date of this act.

(d) Each member shall without compensation. Except the actual and necessary traveling expenses incurred in connection with the performance of the member’s official duties shall be paid by the department, upon the presentation of vouchers approved by the department.

(e) The members shall serve for terms of five years; provided that, for the two members appointed by the Governor, both shall be appointed for a term of four years. The chair and the other members shall serve in their respective capacities throughout their entire term and until their successors shall have been duly appointed and qualified. Any vacancy in the commission occurring for any reason other than the expiration of a term, including a vacancy occurring during the term of the initial chair or another initial member, shall be filled in accordance with the requirements for subsequent appointments set forth in paragraph (3) of this subsection for the remainder of the unexpired term only. The appointing authority shall fill any vacancy for the unexpired term.

(f) Any member of the commission may be removed from office by appointing authority, for cause, upon notice and opportunity to be heard at a public hearing. Any member of the commission shall automatically forfeit the member's office upon conviction for any crime.

- **A-X Hawaii cannabis advisory commission; organization.** (a) The commission shall elect one member as vice-chairperson annually. In the absence of both the chairperson and the vice—chairperson to preside at a meeting, the members present shall select a chair pro tern.

(b) The commission shall meet not less than quarterly at a time and place determined by the authority.

(c) The majority of the members shall constitute a quorum. The concurrence of a majority of the members shall be necessary to make any action taken by the authority valid. The authority shall conduct its meetings in accordance with chapters 91 and 92.

- **A-X Hawaii division of cannabis regulation; organization.**

(a) There is a Division of Cannabis Regulation within the department of commerce and consumer affairs. The Division shall be led by an executive director, appointed by the governor pursuant to section 26-34. The executive director shall have the training, knowledge, and experience necessary to direct the work of the Division. Thereafter every subsequent executive director shall be appointed by the Governor with the advice and consent of the Senate. The executive director shall serve at the pleasure of the appointing Governor during the Governor's term of office and until a successor has been duly appointed and qualified. Any vacancy in the

office occurring for any reason other than the expiration of a term, including a vacancy occurring during the term of the initial executive director, shall be filled for the unexpired term only in the same manner as the appointment of any subsequent executive director as set forth herein.

(b) The Division director, all Division staff, and the staffers immediate family member may not have a financial interest in the cannabis industry. No person who has served as a commissioner on a county liquor commission shall be eligible to sit as a member of the authority until at least five years have expired between the person's termination from service as a commissioner on a county liquor commission and the person's appointment to the authority.

For purposes of this subsection:

"Cannabis industry" means a business or profession related to cannabis in which the person is lawfully engaged and that is in compliance with the provisions of state law, including this chapter and rules adopted under this chapter.

"Financial interest" means holding directly or indirectly, a legal or equitable interest in the operation of a business licensed under this chapter.

"Immediate family member" means a spouse, child, or parent.

(c) No later than December 31, 2025, all powers, duties and responsibilities of the department of health, including the office of medical cannabis control and regulation, with respect to the regulation, administration and enforcement of the provisions of chapter 329D shall be transferred to the division, except for the administration of registry identification cards to qualified patients and primary

caregivers and powers delegated to the department of health pursuant to this act or by the agency's rules.

(d) The employment, appointment, promotion, transfer, demotion, discharge, and job descriptions of all officers and employees of or under the jurisdiction of the office of medical cannabis control and regulation shall be transferred to the division subject to the approval of the director of health and to applicable personnel laws.

(e) The division shall report annually to the governor and the legislature on the regulation of cannabis establishments, including but not limited to the number and location of cannabis establishments licensed by license type, the total licensing fees collected, the total amount of taxes collected from cannabis establishments, and any licensing violations determined by the commission.

• **A-X Hawaii division of cannabis regulation; powers generally;**

The agency shall have all the powers necessary and reasonable to carry out and effectuate its purposes, including, but not limited to, the power to:

(1) Sue and be sued;

(2) Adopt, use and alter at will a common seal;

(3) Make and execute contracts and all other instruments necessary or convenient for the exercise of its powers and functions under this chapter;

(4) Make and alter bylaws for its organization and internal management;

(5) Adopt, amend or repeal rules and regulations for the implementation, administration, and enforcement of this chapter, which rules shall be in conformance with chapter 91;

(6) Through its executive director appoint officers, agents, and employees, prescribe their duties and qualifications, and fix their salaries, without regard to chapter 76;

(7) Determine which applicants shall be awarded licenses;

(8) Deny an application or limit, condition, restrict, revoke or suspend any license;

(9) Appear on its own behalf before boards, commissions, departments or other agencies of municipal, state or federal government;

(10) Review data and market conditions prior to the adoption of rules pursuant to this chapter and on a periodic basis thereafter to determine the number of licenses, and the total square footage of cannabis cultivation, that will be issued in order to meet estimated production demand and facilitate a reduction in the unauthorized distribution of cannabis with affordable prices;

(11) Conduct and administer procedures and hearings in compliance with chapter 91 for the adoption of rules and review of the issuance, denial or revocation of licenses or violation of this chapter or the rules adopted pursuant to this chapter;

(12) Impose and collect fees, sanctions and administrative penalties, as authorized by this chapter and established by rule, and for a violation of any rule adopted by the agency;

- (13) Conduct investigations into the qualifications of all applicants for employment by the agency and all applicants for licensure pursuant to this Chapter;
- (14) Inspect cannabis establishments and have access to all equipment and supplies in a cannabis establishment for the purpose of ensuring and enforcing compliance with this chapter, and all rules and regulations adopted pursuant to this chapter;
- (15) Require that the books and financial or other records or statements of a licensee be kept in a manner that the agency deems proper;
- (16) Establish adjudicatory procedures and conduct adjudicatory proceedings pursuant to chapter 91;
- (17) Maintain an official Internet website for the agency;
- (18) Form advisory boards and submit any matter to an advisory board for study, review or recommendation;
- (19) Delegate any administrative, procedural or operational matter to the executive director;
- (20) Issue temporary emergency orders, directives or instructions, with or without prior notice or hearing, in an instance in which the public health or safety is in substantial or imminent danger as it relates to the activities, conduct or practices of a licensee or as a result of a defective or dangerous product offered for sale by a licensee; and
- (21) Do any and all things necessary to carry out its purposes and exercise the powers given and granted in this chapter.

We also recommend adding more specificity to the rules that the division is required to develop, including to promote health and safety. We suggest amending section A-16 to the following:

The authority shall adopt rules pursuant to chapter 91 to effectuate this chapter and to:

- (1) Establish standards for employee training and badges;
- (2) Create prohibitions on additives to cannabis and cannabis-infused products, including but not limited to those that are toxic or designed to make the product more addictive;
- (3) Create standards for product packaging and labeling to prevent designs to make the products more appealing to children, including prohibiting the use of any images designed or likely to appeal to minors, including cartoons, toys, animals, or children, and any other likeness to images, characters, or phrases that are popularly used to advertise to children;
- (4) Restrict the use of pesticides that are injurious to human health;
- (5) Regulate visits to cannabis cultivation facilities and cannabis product manufacturing facilities, including requiring the cannabis establishment to log visitors;
- (6) Define the amount of tetrahydrocannabinol that constitutes a single serving in a cannabis product;
- (7) Establish standards for the safe manufacture of cannabis extracts and concentrates;

(8) *Develop and mandate the distribution and posting of educational materials to consumers who purchase cannabis and cannabis-infused products;*

(9) *Create standards for the operation of cannabis testing facilities, including requirements for equipment and qualifications for personnel; and*

(10) *Develop operating standards for on-site consumption establishments, including for security, ventilation, odor control, consumption by patrons, and responsible vendor training.*

C. Specific Business Controls and Regulations

P.41, L1-3 states that no facility shall be located within seven hundred fifty feet of a playground. We suggest adding the word "preexisting" to the buffer zone to ensure cannabis businesses are not uprooted if a school or playground is sited next to their business after they begin operations.

Section A-53 requires adult use cannabis retailers and cultivators to enter into labor peace agreements with a bona fide labor organization. We suggest adding an exemption for smaller businesses with less than 15 employees. *"All responsible adult-use cannabis cultivator licensees and responsible, adult use cannabis retailer licensees with more than ten employees shall enter into, maintain, and abide by the terms of a labor peace agreement, and shall submit to the authority an attestation by a bona fide labor organization stating that the applicant meets this section's requirements,"*

Section A-63 requires all cultivation "sites" be out of public view. This is somewhat ambiguous on whether the building or the cannabis must be out of public view. For clarity cannabis, we suggest requiring that cultivation sites must keep the cannabis out of public view. *"All responsible, adult-use cannabis cultivation sites shall be secure and all cannabis shall be hidden from public view..."*

Section A-71 of SB 375 creates a distributor license type. We support the creation of an additional license type designated for the transportation of products amongst licensees. However, we caution cultivators and manufacturers should also be allowed to transport their own product, if they comply with rules. Requiring businesses to use a third party distributor would drive up costs for consumers and businesses.

Section A-91 (b) Prohibits off-premises delivery. We strongly recommend allowing home delivery, with appropriate regulations — such as ensuring there are no identifying logos or similar indicia on vehicles. Many legalization states allow home delivery, which is important to displacing the illicit market — and which is allowed for alcohol and prescription medications.

Section A-93 sets a 14-day purchase limit for adult use transactions. We suggest amending SB 375 to set a purchase limit per transaction. Purchase limits over a certain period can be difficult to enforce and track across licenses, and it would be intrusive to do so with adult-use consumers. We recommend the following language: *"A person twenty-one years of age or older shall be allowed to purchase no more than 1.5 ounces of cannabis, or its equivalent, per transaction."*

Section A-111 allows the regulatory authority to set personal possession limits. We strongly recommend that a clear, explicit possession limit for cannabis, concentrates, and infused products be established in statute. This approach ensures little confusion about what quantity is allowed and what isn't. Moreover, legal possession shouldn't have to wait for rulemaking, so cannabis related arrests don't continue. Suggested language: *"Possession limit" means:*

- (1) *Two-and-a-half ounces of cannabis in a form other than concentrated cannabis or cannabis products;*
- (2) *Fifteen grams of concentrated cannabis, which includes hashish and pre-filled cartridges of cannabis extracts intended for vaporization;*
- (3) *Cannabis products other than concentrated cannabis containing no more than 2,500 milligrams of THC;*
- (4) *Six cannabis plants; and*
- (5) *Any additional cannabis produced by the person's cannabis plants provided that the possession of any amount of cannabis in excess of 2.5 ounces of cannabis, 15 grams of concentrated cannabis, and cannabis products containing no more than 2,500 milligrams of THC must be limited to the same property where the plants were cultivated.*

Section A-114 and A-116 establishes a civil fine and forfeiture as the penalty for unlawful cultivation and sales activity, respectively. Unlawful cultivation has proved to be extremely problematic in other legalized states and often contributes to poor labor conditions, unsafe products, and environmental concerns. While a civil penalty is appropriate for first-offense, low-level sales and cultivation, we suggest a more significant penalty for subsequent offenses and large-scale illegal sales.

D. Expungement and Record Clearance

Section 12 of SB 375 establishes expungement and record clearance for past cannabis convictions. Restorative justice is concept that has been supported by the Judiciary Committee this session in its recent approval of SB 903. We strongly support restorative justice measures, which are included in most legalization laws in some form. For example, Illinois' 2019 legalization law resulted in the expungement of over 800,000 cannabis convictions. Connecticut's 2021 legalization law automatically expunged over 40,000 cannabis convictions. As Hawaii considers cannabis legalization it's important that we use this opportunity not just for economic development, but also to remove the scarlet letter of cannabis convictions that for decades have denied many Hawaii residents chances for upward mobility.

We suggest adopting automatic release and expungement provisions similar to SB 1043, such as:

"Each person arrested or convicted for an offense under chapter 329, Hawaii Revised Statutes, or under part IV of chapter 712, Hawaii Revised Statutes, for possession or cultivation of marijuana, shall be entitled to: (1) Release from the custody of law enforcement or incarceration no later than 90 days after the effective date of this Act, unless the person is also in custody or incarcerated for an offense that is not permitted by the new chapter of the Hawaii Revised Statutes; and 2) An expungement order, issued within days after the effective date of this Act, from the court in which the person was arraigned or convicted, that annuls, cancels, and rescinds the record of arrest and record of conviction, as applicable, for the relevant offense; provided that an expungement order shall not be issued for a person if the State, the department of the attorney general, or the applicable prosecuting attorney demonstrates good cause against the issuance of the order for that person."

And:

"Any person convicted or arrested for distribution of marijuana may petition at any time for: (1) Release from the custody of law enforcement or incarceration; and 2) an expungement order; and

relief shall be granted unless the prosecutor objects within 14 days and proves that relief would not be in the interests of justice.

Furthermore, we recommend including a provision that requires the state's lead actor in the record clearing process to issue a report on a regular basis (yearly, quarterly, etc.) on key metrics related to the fulfillment of automatic expungement for qualifying cannabis offenses. In shifting the process of record clearance away from the individual to the agencies that hold the criminal record, Hawaii should establish transparency requirements that allow lawmakers and citizens to monitor the state's progress towards implementation.

E. Social Equity Licensing

P. 22, L12-20 of SB 375 would allow an entity to qualify as a social equity applicant both based on the applicants meets criteria and if they employ 10 or more employees who reside in a disproportionately impacted area or have a cannabis arrest or conviction or a family member with an arrest or a conviction. We strongly urge the committee to remove the language allowing applicants to qualify based on their employees. Practically, a business will often not have employees when they apply and their employees would surely change over time. Similar provisions have been criticized by the Minority Cannabis Business Association as violating the ownership and control principles of social equity.

We also suggest removing cannabis *arrest* — as opposed to a conviction — as a qualifier for social equity status. Allowing individuals with only a cannabis arrest to qualify could dilute the intent of social equity, to center the individuals **most** harmed by cannabis prohibition in legalization policy. An analysis of data from the Hawai'i Criminal Justice Data Center, controlling for age, gender, and type of charge, found that for any given determination of guilt, Native Hawaiians are much more likely to get a prison sentence than almost all other groups, except for Native Americans^[1]. Prioritizing individuals that were convicted of a cannabis related offense and not just arrested will ensure the intended individuals receive licensing.

We strongly suggest adding a provision to designate at least 50 percent of each license type exclusively for social equity applicants. The Dual Use Cannabis Taskforce that convened this summer stated in their final report "The history of cannabis enforcement in Hawaii has engendered a diverse set of inequities across racial, economic, and geographic spectrums, and as the rest of the country is discovering as well, explicit policies must be put in place to redress these harms. Without integrated social equity policies, the experience of other states, as well as a variety of scholarly research sources, have shown that these inequities only increase in emerging cannabis industries." To accomplish that goal, Hawaii should follow the lead of New York, Connecticut, and New Jersey which have all taken this approach in their licensing scheme.

We also recommend adding a provision to ensure Native Hawaiians qualify for social equity status. We know that Native Hawaiians are disproportionately represented in Hawaii's prison population. Moreover, the relationship between Native Hawaiians and cannabis is longstanding and well documented. The first recorded reference to cannabis in the Hawaiian Islands was published in the Honolulu newspaper *Ka Nonanona* in 1842, where it was referred to as "pakalolo." The criminalization of cannabis came shortly after the U.S. government took over the Hawaiian Islands. As the considers cannabis legalization it's important to not forget this history as the state decides who should obtain priority in the future licensing rounds. We urge the committee to amend section A-31 to the following:

"(1) Disproportionately impacted area" means a census tract or comparable geographic area that has a poverty rate of at least twenty per cent according to the latest federal decennial census. (2) Social equity applicant" means an applicant that is a resident of the State that meets one or more of the following criteria:

(a) An applicant with at least fifty-one per cent ownership and control by one or more individuals who have resided for at least five of the preceding ten years in a disproportionately impacted area;

(b) An applicant with at least fifty-one per cent ownership and control by one or more individuals who: Have been convicted of, or adjudicated delinquent for any marijuana related offense under Hawaii Revised Statutes;

(c) An applicant with at least fifty-one per cent ownership and control by one or more individuals who are "Native Hawaiian" as defined in section 10H-3 of the Hawaii Revised Statutes.

(3) The authority and department shall establish grant and loan programs for the purposes of providing financial assistance, loans, grants, and technical assistance to social equity applicants.

(4) For social equity applicants, the authority shall waive fifty per cent of any nonrefundable license application fees; any nonrefundable fees associated with purchasing a license to operate a business licensed under this chapter; and any surety bond or other financial requirements for the first five years of the applicant's operations; provided that the social equity applicant meets the following qualifications at the time the payment is due:

(a) The applicant, including all individuals and entities with ten per cent or greater ownership and all parent companies, subsidiaries, and affiliates, has less than a total of \$750,000 of income in the previous calendar year; and

(b) The applicant, including all individuals and entities with ten per cent or greater ownership and all parent companies, subsidiaries, and affiliates, has no more than two other licenses under this chapter.

(5) The division shall issue at least fifty per cent of licenses issued in each round, of each license type, exclusively for social equity applicants.

P.27, L19-21, P.28,L-7 allows an applicant that applied as social equity to pay the full fee if they are later determined to not qualify. We believe this penalty is very light and could encourage applicant to falsify or misstate their application information. To address this, we suggest amending this language require that all benefits including the actual license and any social equity benefits be taken from the applicant and awarded to a bona fide social equity applicant.

F. Non-discrimination Protections for Cannabis Consumers

Lastly, we strongly suggest including non-discrimination protections for cannabis use. Many legalized states prohibit the denial of state benefits, parole, probation, or pretrial release determinations, medical care and organ transplant eligibility, or child custody decisions based on lawful cannabis use. As the state seeks to legalize cannabis for adults 21 and over, it's important that we reduce the discrimination and stigma associated with using a product that has been scientifically proven to be safer than alcohol and tobacco. We suggest the following language:

Non-discrimination for personal use of cannabis.

(a) A person shall not be subject to arrest, prosecution, or penalty in any manner, or be denied any right or privilege, including but not limited to disciplinary action by a business, occupational, or professional licensing board or bureau, solely for conduct permitted under this chapter.

(b) It is unlawful for an state or local governmental employer to discriminate against a person in hiring, termination, or any term or condition of employment, or otherwise penalizing a person, if the discrimination is based upon either of the following:

(1) The person's use of cannabis off the job and away from the workplace.

(2) An employer-required drug screening test that has found the person to have nonpsychoactive cannabis metabolites in their hair, blood, urine, or other bodily fluids.

(c) Nothing in this section permits an employee to possess, to be impaired by, or to use cannabis on the job, or any other rights or obligations of an employer specified by federal law or regulation.

(d) This section does not preempt federal laws requiring applicants or employees to be tested for controlled substances, including laws and regulations requiring applicants or employees to be tested, or the manner in which they are tested, as a condition of employment, receiving federal funding or federal licensing-related benefits, or entering into a federal contract.

(e) (1) Except as provided in this section, neither the state nor any of its political subdivisions may impose any penalty or deny any benefit or entitlement for conduct permitted under this chapter or for the presence of cannabinoids or cannabinoid metabolites in the urine, blood, saliva, breath, hair, or other tissue or fluid of a person who is 21 years of age or older.

(2) Except as provided in this section, neither the state nor any of its political subdivisions may deny a driver's license, a professional license, housing assistance, social services, or other benefits based on cannabis use or for the presence of cannabinoids or cannabinoid metabolites in the urine, blood, saliva, breath, hair, or other tissue or fluid of a person who is 21 years of age or older.

(f) A person shall not be denied custody of or visitation with a minor for acting in accordance with this act, unless the person's behavior is such that it creates an unreasonable danger to the minor that can be clearly articulated and substantiated.

(g) For the purposes of medical care, including organ and tissue transplants, the use of cannabis does not constitute the use of an illicit substance or otherwise disqualify a person from needed medical care and may only be considered with respect to evidence-based clinical criteria.

(h) Notwithstanding any other provision of law, unless there is a specific finding that the individual's use, cultivation, or possession of cannabis could create a danger to the individual or another person, it shall not be a violation of conditions of parole, probation, or pre-trial release to:

(1) engage in conduct allowed by this chapter; or

(2) test positive for cannabis, tetrahydrocannabinol, or any other cannabinoid or metabolite of cannabis.

(i) No state or local agency, and no employee or agent of any state or local agency, may:

(1) restrict, revoke, suspend, or otherwise infringe upon a person's right to own, purchase, or possess a firearm, ammunition, or any related firearms certification based solely on the person's possession, use, or purchase of cannabis, or for other actions allowed by this chapter; or

(2) directly or indirectly inform a federal agency or federal official that a person owns, possess, purchases, or may attempt to own, possess, purchases a firearm or ammunition while possessing or using cannabis, or for other actions allowed by this chapter.

Conclusion

In conclusion, we strongly support the legalization of cannabis possession and cultivation rights for adults over 21. However, SB 375 can be strengthened to meet cannabis policy best practices. We urge you to amend SB 375 to include a significant fee for medical operators to convert to adult use, non-discrimination protections for cannabis use and strengthened social equity provisions and then pass it.

Mahalo for the opportunity to comment. I can be reached at the contact below and I'm happy to answer any questions you may.

Sincerely,

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Marijuana Policy Project

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^[1] Office of Hawaiian Affairs, The Impact of the Criminal Justice System on Native Hawaiians, 2014
https://www.oha.org/wp-content/uploads/2014/11/factsheets_final_web_0.pdf