

March 15th, 2023

Chairman Thompson and Committee Members:

Good morning! My name is Tom Holland and I am the State Senator for the Kansas 3rd Senate District. I am here today to share my observations **as a neutral conferee** regarding SB 135 – The Medical Cannabis Regulation Act. Should the committee choose to work this bill, **significant changes need to be made to this language before the bill is voted out of committee favorably.**

Here are my major concerns with this legislation:

- 1) **The bill, by allowing seeds to be sold, effectively would encourage illegal / black market cannabis growing and distribution operations in Kansas;**
- 2) **The bill, by allowing cannabis plant materials to be sold, would effectively encourage the (illegal) smoking and vaping of medical cannabis in Kansas;**
- 3) **The legislation is unnecessarily expansive.** This bill appears to have been written for an eventual recreational cannabis regulatory implementation versus medical cannabis. As such, this bill would require massive new policing responsibilities of our already stretched KS law enforcement resources. I would encourage the committee to a) take cultivators and processors completely out of the bill and b) not allow any cannabis plant materials or cannabis concentrates to be distributed / sold;
- 4) **The definition of cannabis is problematic; any move by the federal government to list cannabis as part of Schedules II through V of the Uniform Controlled Substances Act would invalidate the Act.** This provides an unacceptable level of uncertainty for those businesses investing in this emerging industry;
- 5) **The bill appears to be multi-state operator (MSO) focused and through an excessive fee structure would effectively exclude existing rural Kansas pharmacies and other business from participation as retail dispensaries.** There are no limits regarding the number of industry-related operations a single business entity could run, and application and licensing fees for a retail dispensary are excessive. This bill will encourage both horizontal and vertical integration and discourage free market competition;
- 6) **The bill is overly punitive and legally intrusive towards registered patients.** The bill unfairly sets a “double standard” for Kansas-approved medical cannabis products versus FSA-approved prescription drugs;
- 7) **The bill appears to be “hard-wired” for certain vendors.** All vendor-specific service / solution “requirement” references need to be stripped from this legislation and independently determined as part of a separate and open procurement process. Any outside subject matter experts (SMEs) used to develop technical requirements for such procurements should not be allowed to compete for those systems / services. Finally, any vendor providing a system or

services offering used to implement The Medical Cannabis Regulation Act needs to be limited to US-based firms with a preference given for Kansas-based vendors.

Please know that my constituents are by and large very much in favor of making medical cannabis available to those Kansans who would truly benefit from such products. **SB 135, as currently drafted, is an Oklahoma medical cannabis disaster waiting to happen. This will open up to the implementation of an unregulatable recreational cannabis market.** This bill needs to be scaled back and stay focused on implementing an appropriate medical cannabis regulatory scheme.



Tom Holland
Senator – 3rd District