HOUSE BILL 2184 – MEDICAL CANNABIS

TESTIMONY OF GEORGE S. MAHAFFEY, JR., ESQUIRE

Good morning members:

My name is George S. Mahaffey Jr. and I'm General Counsel for Green Healthcare Solutions Kansas, LLC. I want to thank everyone for being present.

I've been an attorney for more than 20 years and have been involved in medical cannabis since 2015, working with or associated with companies having operations in places like Maryland, Massachusetts, and Canada.

I have seen firsthand what works in other states when it comes to creating a medical cannabis program, and what DOES NOT work

I believe Kansas's proposed program will be very successful for several reasons:

First, Kansas will impose a REASONABLE excise tax that will result in significant economic benefit to its universities and the state as a whole while safeguarding against a taxation regime that is so high that it negatively impacts the business community and drives patients back to the black market

> *For instance, Oklahoma announced in late-2020 that total state and local tax collections from January through July — as well as collections of the 7% excise tax exceeded $80 million – nearly 1.5 times the amount taken in on cannabis sales in 2019 – Oklahoma is generating significant tax revenue while creating thousands of new, good-paying jobs – the same thing will happen in Kansas

Second, Kansas will create a highly-regulated medical cannabis program with synergies between the State, State universities, and local business community that the Federal Government will view favorably – and in passing the medical cannabis legislation, Kansas will create a competitive market with dozens of new companies employing hundreds if not thousands of workers within 12 to 16 months of the Bill's passage.

The bottom line is, from everything I have seen, Kansas is poised to create one of the premier medical cannabis programs in the country that will result in significant benefits to patients, the State, State Universities, and the local business community - thank you very much.