

State of Kansas

Senate Chamber



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Chairman Suellentrop and Committee Members:

Good morning! My name is Tom Holland and I am the State Senator for the Kansas Senate 3rd District serving portions of Douglas and Leavenworth counties. I am here today to ask for your support of Senate Bill 113, the Veterans First! Medical Cannabis Act.

We are here today because a bi-partisan group of state senators and representatives has introduced Senate Bill 113 and House Bill 2163, the "Veterans First! Medical Cannabis Act". This legislation provides a highly controlled yet transparent framework for allowing Kansans safe and legal access to medical cannabis.

So why the big push? Plain and simple - **Kansas citizens are demanding access to cannabinoids to treat their chronic pain issues.** Thirty-three states and the District of Columbia already have medical cannabis laws on their books. Three of Kansas' four border state neighbors – MO, OK, CO – have legalized access to medical cannabis. And make no mistake, citizens are demanding legal access to medical cannabis because they know it brings them relief from chronic pain! The National Academies of Science, Engineering, and Medicine published a comprehensive cannabis review in 2017 that included 10,000 articles published since 1999. The study found substantial evidence of cannabis efficacy in treating chronic pain, chemotherapy-induced nausea and vomiting, and patient-reported multiple-sclerosis spasticity. The study also found some level of efficacy for increased appetite and decreased weight loss in HIV/AIDS patients, improved clinician-measured multiple sclerosis spasticity, improved symptoms of Tourette Syndrome, decreased anxiety from Generalized Anxiety Disorder, and decreased symptoms of Post-Traumatic Stress Disorder.

Medical cannabis is also an effective tool for addressing the opioid crisis that is currently ravaging communities all across America. The National Institute on Drug Addiction reports that more than 90 people die from opioid overdoses in the U.S. every day. When factoring in the cost of hospitalization, treatment, and criminal proceedings, the United States has an economic burden of more than \$78 billion per year on prescription opioids alone, according to Centers for Disease Control and Prevention estimates. States that have legalized medical cannabis have seen an almost 25 percent reduction in opioid overdose deaths. These states have also seen a 23 percent reduction in hospitalizations due to opioid dependence or abuse, and a 13 percent decrease in opioid overdoses. Now is the time for the Kansas legislature to have an open and honest debate on the benefits of legalizing medical cannabis for its citizens.

I'd now like to briefly talk about the legislative process and what makes SB 113 unique. While there have been a variety of medical cannabis proposals introduced this session, I believe that SB 113 has the best chance of success in being heard and worked in committee and eventually becoming law:

- 1) **Our approach is a conservative and highly regulated one**, given that cannabis is a federally classified Schedule 1 drug. For example, while the legislature at some point may want patients to be able to grow their own cannabis, I personally do not support that position. Instead, I've taken many of the regulatory constructs found in our Kansas Liquor statutes and have adapted them to regulate cannabis growth, distribution and selling. Please know that my interests are purely to provide medical cannabis to Kansans with real medical needs. I am not here to covertly promote the legalization of recreational marijuana;
- 2) **Our approach is a pragmatic one given a dynamic legal landscape**. Think of this bill as an evolving framework, NOT a firm and fixed solution with all the answers already figured out. These and future hearings and eventual deliberations will ultimately determine how Kansas moves forward on medical cannabis;
- 3) **Our legislation has been designed by Kansans, . . . for Kansans**, and not driven by some outside special interest group. We extensively reviewed current practices of those states that have already legalized medical cannabis and have attempted to leverage best practices from across the country. And prior to introduction, we even conducted stakeholder agency review meetings of the proposed legislation, soliciting, receiving and incorporating feedback from The Kansas Department of Health and Environment, the Kansas Board of Pharmacy, the Kansas Department of Revenue, the Kansas Department of Agriculture and, yes, even the Kansas Bureau of Investigation!

Many of our wounded warriors grapple with chronic pain, Post-Traumatic Stress Disorder (PTSD), and insomnia, due to injuries and illness sustained during active duty, and in those states that have legalized medical cannabis they are by and large able to effectively manage their symptoms. But the path for veterans getting access to medical cannabis in Kansas is currently a perilous one as the drug is classified as a Schedule 1 drug and is therefore illegal at the federal level as well. We call our legislation the "Veterans First! Medical Cannabis Act" because we recognize the tremendous hardships our veterans have endured, both on and off the battlefield, and therefore rightfully put our Kansas veterans in the front of the line for the first 60 days when Kansas dispensaries begin selling medical cannabis.

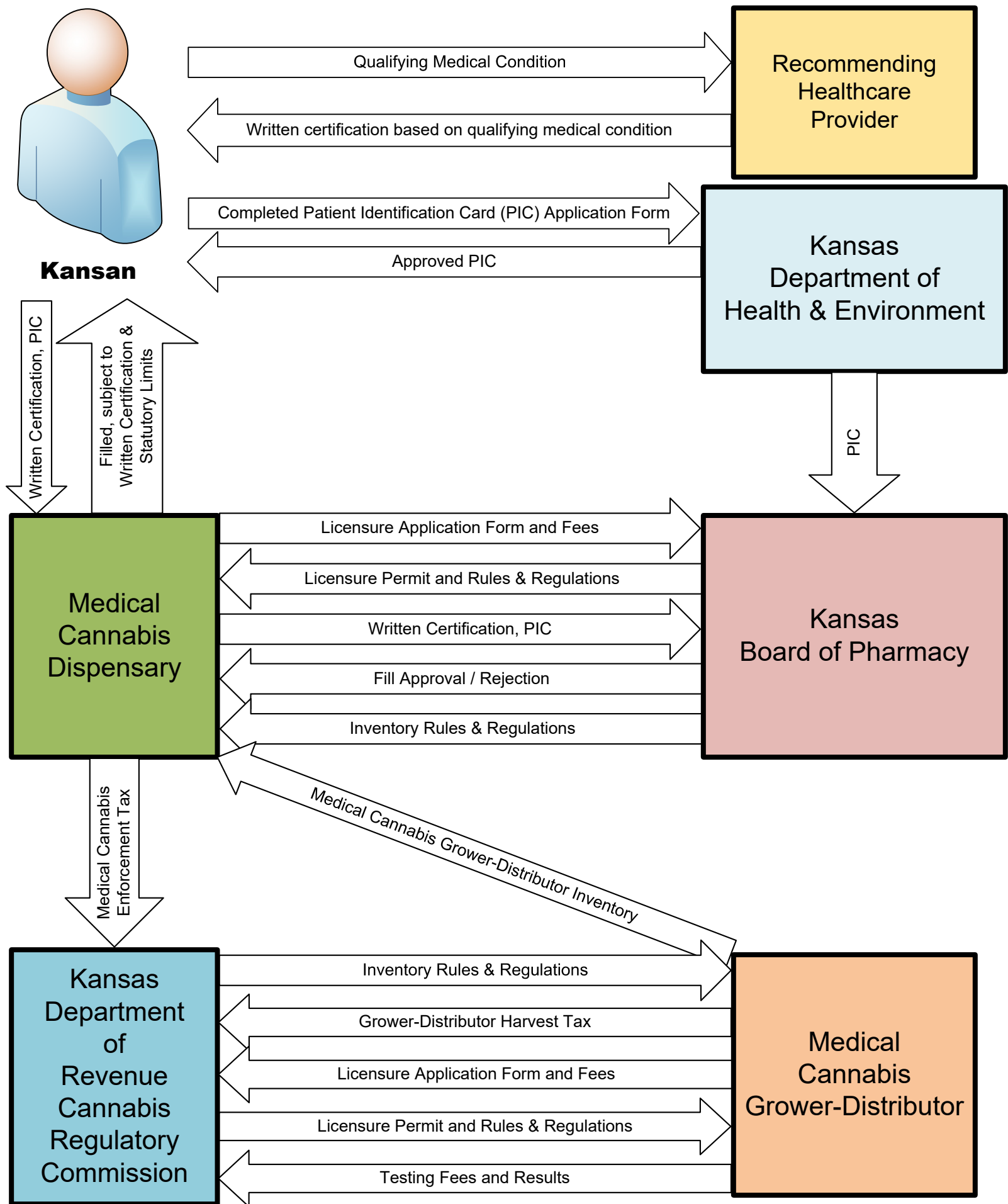
And finally, I'd like to thank Erica Haas and Scott Abbott for their hard work in helping bring this legislation to fruition.

Sincerely,



State Senator Tom Holland
3rd District

Veterans First! Medical Cannabis Act



Veterans First! Medical Cannabis Bill

Frequently Asked Questions

Updated March 1, 2019

Who is eligible to purchase a medical cannabis consumer product? **A qualified patient is a person who is a resident of Kansas, has been diagnosed by a physician (healthcare provider) as having a qualifying medical condition, and has a written certification issued by the patient's physician (healthcare provider).**

What are the qualifying medical conditions? **Amyotrophic lateral sclerosis; cancer; crohn's disease; damage to the nervous tissue of the spinal cord, if the patient has objective neurological indication of intractable spasticity; epilepsy or any other seizure disorder specified by the board of pharmacy; glaucoma; hepatitis C virus, if the patient is receiving antiviral treatment; human immunodeficiency virus or acquired immune deficiency syndrome; huntington's disease; inclusion body myositis; inflammatory autoimmunemediated arthritis; intractable nausea or vomiting; multiple sclerosis; obstructive sleep apnea; painful peripheral neuropathy; parkinson's disease; post-traumatic stress disorder; severe chronic pain; severe anorexia or cachexia; spasmodic torticollis or cervical dystonia; ulcerative colitis; admission into hospice care; or any other medical condition that results in pain, suffering or debility and for which there is credible evidence satisfactory to the state board of pharmacy that the medical use of cannabis could benefit, as specified in rules and regulations adopted by the state board of pharmacy.**

How does a person get a written certification? **A written certification is a statement made and signed by a patient's healthcare provider that the healthcare provider has a valid healthcare provider-patient relationship with the patient; the healthcare provider has the lawful authority to issue the written certificate and in the healthcare provider's opinion the potential health benefits of the medical use of cannabis would likely outweigh the potential health risks.**

Which healthcare providers can issue a written certification? **Physician, certified nursemidwife engaging in the independent practice of midwifery, licensed advanced practice registered nurse, or a licensed physician assistant.**

Does the bill require a patient healthcare provider relationship exist for a specified time period prior to a healthcare provider issuing a written certification? **No.**

Which agency can issue patient information cards (PICs)? **A qualified patient must apply for a patient information card from the Kansas Department of Health and Environment. A qualified patient must present their written certification and their PIC to a dispensary to purchase a medical cannabis consumer product.**

What is the application fee for a patient information card? **The application fee is \$50 unless the qualifying patient is a Medicaid recipient in which case the fee is \$10.**

Where can medical cannabis be purchased? **A licensed medical cannabis dispensary.**

How much medical cannabis can be purchased at once? **An adequate supply is an amount of medical cannabis consumer product that is no more than reasonably necessary as specified in rules and regulations adopted by the State Board of Pharmacy.**

Who can own a medical cannabis dispensary? **A non-profit business entity may apply to the state Board of Pharmacy for initial or renewed licensure as a medical cannabis dispensary.**

Which agency regulates dispensaries? **The State Board of Pharmacy licenses dispensaries and promulgates rules and regulations needed for oversight.**

What is the application fee for a dispensary? **Set by the Board of Pharmacy through rules and regulations, not to exceed \$5,000.**

What is the licensure fee for a dispensary? **Set by the Board of Pharmacy through rules and regulations, not to exceed \$30,000**

Which agency regulates grower distributors? **The Cannabis Regulatory Commission, Kansas Department of Revenue, licenses distributor growers and promulgates rules and regulations needed for oversight.**

What is the application fee for grower distributors? **Set by the Cannabis Regulatory Commission, Kansas Department of Revenue through rules and regulations, not to exceed \$15,000.**

What is the licensure fee for grower distributors? **Set by the Cannabis Regulatory Commission, Kansas Department of Revenue through rules and regulations, not to exceed \$90,000.**

Will medical cannabis be taxed? **A tax will be imposed for the privilege of growing and harvesting medical cannabis in the state of Kansas at a rate of \$115 per pound or each portion of a pound. A tax will be imposed upon the privilege of selling or dispensing on medical cannabis consumer products in Kansas by any duly licensed medical cannabis dispensary, at the rate of \$3.00 per ounce of such products and a proportionate tax at the like rate on all fractional parts thereof. All taxes will be collected by the Kansas Department of Revenue.**

Does the bill include provisions regarding legal protections for qualifying patients as it relates to employers' drug testing policies and whether there would be a duty for employers to accommodate authorized users? **Employee protection provisions are not in the bill; however, this is an area that should be discussed and considered as part of the legislative hearing process.**

Oklahoma capped their licensure fee at \$2,500, why not use this model? **Through a voter initiative, Oklahoma legalized medical marijuana in July 2018; therefore, the program is in its infancy. The fees in the bill were based on the New Mexico model, operating since 2016, and adjusted for the population in Kansas. New Mexico's program is fee-based and self-sustaining, which is the goal of the fee structure in the bill. Also, the fee**

amounts in the bill are set as caps and will be determined through adoption of rules and regulations by the specified oversight agencies as the cost of the program evolves.

Why does the bill prohibit a person from owning both a grower distributor entity and a dispensary? **The authors of the bill want the medical cannabis industry to be available to as many Kansas businesses as possible and seek to avoid monopolization of the industry.**

What are the various medical cannabis consumer products specifically supported by this bill? **The dried leaves and flowers of the cannabis plant is the only product currently referenced. This product has been included in the bill as a starting point for medical cannabis access in Kansas. It is also the intent of the authors of the bill that the category of products, including but not limited to edibles, concentrates, and topicals will be expanded by the Board of Pharmacy through rules and regulations (this authority would need to be amended into the bill). It is also the intent of the authors of the bill that as additional product categories are approved by the Board of Pharmacy, grower-distributors will be allowed, through rules and regulations adopted by the Cannabis Regulatory Commission, to manufacturer products.**

Can individuals grow their own medical cannabis plants? **No. Allowing individuals to grow medical cannabis was excluded from the bill at the suggestion of the Kansas Bureau of Investigation.**

Are employees of grower-distributors and dispensaries required to be fingerprinted and to submit to a state and national criminal history record check? **Yes. The bill states the employee is responsible for the associated fee; however, it is the intent of the authors of the bill to shift the cost to the employer during the hearing process.**