



## **Senate Federal & State Affairs Committee**

**March 15, 2023**

**Oral In-Person Proponent for SB135- Medical Marijuana Regulation Act**

**Shelby Story, VP of Operations, Greenlight Corporation**

Mr. Chairman and members of the committee, thank you for allowing me time to speak today. And thank you for the many, many hours of work you have all put in to get this Bill where it is today. I am certain there has been a lot of give and take from all sides of this issue and thank you for your tireless work on behalf of the citizens of Kansas.

My name is Shelby Story and I work for Greenlight. Greenlight is a multi-state operator with licenses in MO, AR, SD, WV, IL and OK. We have cultivation, manufacturing, transportation, and dispensary licenses throughout those states. We have experience in every aspect of the medical cannabis industry and would like to share some highlights with you today.

It has been proven that cannabis has legitimate medical benefits for lots of people with various ailments. Kansans deserve access to those medicinal products. The key is giving them access in a manner that is controlled by the State and tightly regulated.

Regulations that have worked well.

- 1) Limited licenses like Missouri & Arkansas – this allows the states to have much better oversight and control of the licensed companies in the cannabis sector. In Missouri, over 90% of licensees have opened their businesses at this time. There has only been one known case of diversion of cannabis to an illegal use, no minor purchasing cases and no black market has developed within the medical cannabis community. Government oversight is a critical element of a medical cannabis program.
- 2) Geographic spread – by allocating licenses over a geographic spread, perhaps based on congressional districts, states have been able to ensure that all of the state’s citizens gain access to medical cannabis, not just those in the most populous areas.
- 3) Local Opt-out provisions in various states have proven to be a good tool for local jurisdictions to make decisions for their constituents at a local level.

Regulations that have not worked well.

- 1) Unlimited licenses – due to the number of licenses in Oklahoma, and the inability of the licensees to make a profit, the black market for cannabis in Oklahoma now exceeds that of California. The state of Oklahoma has announced the future hiring of over 1000 inspection agents in an attempt to reign in the corruption in that market.
- 2) Onerous and expensive barriers to participation force some eligible patients to avoid the legal medical market and rely instead on the black market. This participation in the black market deprives those citizens of a safe, tested and monitored medical product and deprives the state of tax revenue required to administer the program.

- 3) Bans on smoking cannabis make it very difficult for the industry to be profitable and a profitable industry is a critical element of a successful program. Flower sales are generally in excess of 50% of sales volume. This is another regulation that inadvertently sends patients back to the black market.

In summary, the nuances of a bill are just as important as the main structure in developing a program that is a benefit to the community and not a burden to the government. My company and I are available at any time to share our knowledge and experiences to assist your committee in any way we can.