

Report of the Special Committee on Medical Marijuana to the 2025 Kansas Legislature

CHAIRPERSON: Senator Michael Fagg

VICE-CHAIRPERSON: Representative Will Carpenter

OTHER MEMBERS: Senators Larry Alley (substitute), Cindy Holscher, Mike Petersen, and Mike Thompson; and Representatives Dennis "Boog" Highberger, Nick Hoheisel, Steven K. Howe, Tom Kessler, and Heather Meyer

STUDY TOPIC

The Committee is directed to:

- Evaluate various policy options and make recommendations for comprehensive medical marijuana legislation. Such review will include review of recent legislation and study of the following topics:
 - Impact of the proposed federal rescheduling of marijuana in the Controlled Substances Act from Schedule I to Schedule III and what that would mean for Kansas;
 - Outcomes in states that have allowed medical marijuana access for veterans and end-of-life patients; and
 - Structure and enforcement of the current cannabidiol (CBD) statute in Kansas.

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Special Committee on Medical Marijuana

REPORT

Conclusions and Recommendations

The Committee made no formal recommendations to the 2025 Legislature.

Proposed Legislation: None.

BACKGROUND

Medical marijuana has been discussed by the Legislature in recent sessions. During the 2022 Interim, the Special Committee on Medical Marijuana met for four days to study recent medical marijuana legislation, receive testimony from stakeholders, and make recommendations to the 2023 Legislature. During the 2023-2024 Biennium, the Legislature continued to hold informational briefings on the topic, and the Senate Committee on Federal and State Affairs considered SB 135 and SB 555. The Legislative Coordinating Council (LCC) authorized the 2024 Special Committee on Medical Marijuana (Committee) to further study the topic and learn more about the proposed federal rescheduling of marijuana under the Controlled Substances Act.

COMMITTEE ACTIVITIES

The LCC approved two meeting days for the Committee during the 2024 Interim. Members met at the Statehouse on October 16 and 28, 2024.

October 16, 2024, Meeting

Overview of Marijuana History

A Kansas Legislative Research Department (KLRD) Senior Research Analyst presented a memorandum covering a broad overview of the history of marijuana through ancient and modern times. The analyst also discussed scientific milestones related to marijuana and the history of marijuana policy in the United States, including the Marihuana Tax Act of 1937, the Controlled Substances Act of 1970, the work of the Shafer

Commission, and the Ogden and Cole memorandums, produced by the U.S. Department of Justice. Additionally, the analyst provided information about the 2014 and 2018 Farm Bills, which modified federal policies on the production of hemp, and a chart reflecting the year each state authorized medical marijuana programs, recreational or adult-use marijuana programs, and cannabidiol (CBD)/low tetrahydrocannabinol (THC) programs, as well as the year each state decriminalized marijuana, as applicable.

Legal Status of Marijuana and Cannabidiol in the United States and Federal Rescheduling of Cannabis

A KLRD Senior Research Analyst presented a memorandum on the legal status of CBD and Delta-8 THC in all U.S. states, including Kansas. The analyst stated that 38 states and the District of Columbia have comprehensive medical marijuana programs, and 24 states and the District of Columbia allow for recreational, adult-use marijuana. The analyst also discussed decriminalization of marijuana in U.S. states.

The analyst discussed the possible federal rescheduling of marijuana under the Controlled Substances Act from Schedule I, the most restrictive classification, to Schedule III. This change would recognize the medical usage of marijuana and allow for drugs derived from cannabis that have been U.S. Food and Drug Administration (FDA)-approved to be lawfully prescribed and dispensed; the change would not impact the legal status of marijuana for recreational use. Additionally, the analyst stated

rescheduling marijuana to Schedule III would ease barriers to medical research on cannabis.

The analyst also discussed the legal status of CBD. At the federal level, the 2018 Farm Bill removed hemp and all cannabis byproducts with less than 0.3 percent THC from the definition of marijuana in the Controlled Substances Act. While CBD products containing 0.3 percent THC or less are considered legal federally, the analyst provided information on states that have enacted laws regulating or restricting its use.

Financial Considerations and the SAFER Banking Act

A KLRD Research Analyst presented a memorandum on the legal restrictions and potential liability banking institutions face in working with marijuana-related businesses due to federal law. This has caused most marijuana-related businesses to be cash-based.

The analyst discussed federal legislation that has been introduced in recent years, including the Secure and Fair Enforcement (SAFE) Banking Act and the Secure and Fair Enforcement and Regulation (SAFER) Banking Act. Among the changes proposed in the bills, federal regulators would not be able to penalize a depository institution for providing banking services to a state-sanctioned marijuana business or consider transactions conducted by a state-sanctioned marijuana business proceeds from unlawful activity. The analyst noted that neither bill has become law.

Kansas Law, Recently Considered Legislation, and Implications of Rescheduling

A Senior Assistant Revisor from the Office of Revisor of Statutes provided information about current Kansas law regarding possession of products containing THC, legislation from the 2023-2024 Biennium concerning the legalization and regulation of medical marijuana, and the potential federal action on rescheduling marijuana.

In Kansas, there are four major acts regulating possession and use of products with THC:

- The Commercial Industrial Hemp Act, which regulates hemp production and limits the THC concentration in industrial

hemp to 0.3 percent, in accordance with federal law;

- Crimes Involving Controlled Substances, which defines THC as a controlled substance and also defines various unlawful activities related to its manufacture, distribution, cultivation, or possession;
- The Uniform Controlled Substances Act, which includes THC as a Schedule I drug, in accordance with federal law; and
- Claire and Lola’s Law, which provides an affirmative defense for parents in possession of CBD products used for treatment of children with debilitating conditions.

The revisor discussed bills related to the production and sale of medical marijuana during the 2023-2024 Biennium, including SB 135, HB 2417, SB 171, SB 310, SB 555, and SB 558.

The revisor also outlined the regulatory process for the federal rescheduling of marijuana. The U.S. Department of Health and Human Services (HHS) recommended to the U.S. Drug Enforcement Administration (DEA) that marijuana be rescheduled from Schedule I to Schedule III based on the FDA’s review of marijuana and HHS findings. He informed the Committee that a public hearing on the issue would begin on December 2, 2024. The revisor also clarified that even with the rescheduling, recreational use of marijuana would still be prohibited at the federal level unless Congress takes action.

Testimony from State Agencies and Organizations

Department of Revenue

The Director of the Alcoholic Beverage Control Division (ABC), Department of Revenue, provided testimony to the Committee to make regulatory recommendations should the Legislature decide to legalize medical or recreational marijuana. The Director stated that ABC has been proactively learning from other states for best practices in regulating marijuana.

She provided a list of items ABC would request to be considered when constructing a medical marijuana program, including:

- Creating an efficient regulation model;
- Setting attainable implementation dates;
- Listing qualifying medical conditions in statute;
- Defining terms clearly in statute;
- Establishing various ownership requirements, such as the minimum age to own a medical marijuana license, and fingerprinting;
- Establishing in statute which entities need a license, what the license fees are, whether licenses are transferable, and whether the number of licenses will be capped;
- Defining specific parameters for labels and packaging;
- Requiring licensed laboratories to test products;
- Determining who will issue medical cards and how medical cards will be verified by law enforcement;
- Determining whether there will be reciprocity with other states;
- Setting penalties in statute, including a violation for failing to comply with a lawful order from the Director;
- Specifying who will be taxed and how taxes will be distributed; and
- Determining sustainable funding.

State Board of Pharmacy

The Executive Secretary for the State Board of Pharmacy provided testimony to the Committee regarding federal rescheduling, the involvement pharmacists and pharmacies could have in a medical marijuana program, the role of K-TRACS in a medical marijuana program, and suggestions for labeling, packaging, and storage.

State Board of Healing Arts

The Executive Director of the State Board of Healing Arts provided testimony to the Committee regarding the impact upon the agency should Kansas create a medical marijuana program. She stated the State Board would request the following factors to be considered when developing a medical marijuana program:

- Who is authorized to prescribe medical cannabis;
- Whether a physician-patient relationship must be established;
- Which agency will issue medical marijuana certificates;
- Whether there will be mechanisms for a health care professional to revoke a medical marijuana card;
- Whether a prescription can be obtained through telemedicine; and
- Protections preventing public disclosures of protected health information.

Kansas Department of Health and Environment

The Deputy Secretary of the Division of Public Health, Kansas Department of Health and Environment (KDHE), testified to the Committee regarding the impact of legalization of medical marijuana on the agency. She referenced previous proposed legislation that would have given KDHE a regulatory role in the state medical marijuana program.

Kansas Silver Haired Legislature

The Floor Leader for the Kansas Silver Haired Legislature spoke before the Committee in favor of medical marijuana. He stated the Silver Haired Legislature fully supports medical marijuana legislation that includes proper dosing, quality control, and balanced oversight, including senior citizen representation.

Law Enforcement and Public Safety

Kansas Association of Chiefs of Police

The Legislative Chair for the Kansas Association of Chiefs of Police testified before the Committee regarding the Association's opposition to the legalization of medical marijuana in Kansas. He stated the Association supports the use of medical marijuana in cases where it has undergone approved pharmaceutical processes, and use of marijuana for end-of-life care should be part of specialized medical treatment. The conferee also stated the legalization of marijuana would have unintended consequences for law enforcement, who already report experiencing the challenges of citizens obtaining marijuana products from other states.

Kansas Peace Officers Association

The Vice President of the Kansas Peace Officers Association provided testimony to the Committee, outlining some of the challenges that agencies and states could face as a result of the rescheduling of marijuana. He stated there would be undue strain placed on the health care system, citing statistics from the Midwest High Intensity Drug Trafficking Area in North Dakota, where emergency room-related visits increased more than 300 percent in the seven years since the state legalized medical marijuana. He stated that court systems could be overwhelmed with requests for expungements of marijuana-related crimes. Additionally, he stated that legalization of a drug does not necessarily lower the crime rate, as rates of illegal grow operations and distribution increase, as well as money laundering and human trafficking.

Kansas Sheriffs Association

The President of the Kansas Sheriffs Association provided testimony to the Committee, stating the organization opposes legalization of

marijuana unless it is in the form of an FDA-approved medication prescribed by a physician. He stated that the idea that opioid use or deaths would decrease with the legalization of medical marijuana is false, and pointed to studies from the American Journal of Psychiatry and the National Academy of Sciences to support the claim. The conferee also noted that THC levels in modern marijuana products are much more highly concentrated, making misuse more likely.

Other concerns stated by the conferee included whether or not jails and correctional facilities would need to provide medical marijuana to incarcerated individuals with medical marijuana patient cards and the need for law enforcement to have the capability to test and enforce THC content limits in the field.

Kansas Sentencing Commission

The Research Director for the Kansas Sentencing Commission testified before the Committee, providing an overview of data collected on felony convictions pertaining to marijuana. According to the agency's prison bed impact assessment, the impact of medical marijuana on prison beds and admissions would be difficult to predict because there are many potential variables, such as the ease of obtaining a medical card and how the policies of law enforcement and the judiciary might shift with the legalization of medical marijuana. He stated that only a small percentage of individuals serve prison time for a felony marijuana conviction, with more than 85 percent of such individuals receiving probation in the last year.

The Chairperson invited the Executive Director for the Commission to address the Committee. The Executive Director emphasized that prosecution of marijuana offenses has changed over the years due to societal trends, and prosecutors and judges have more flexibility in handling cases than do law enforcement.

Cannabis Justice Coalition

The Executive Director for the Cannabis Justice Coalition spoke to the Committee about bringing Kansas into alignment with neighboring states that have medical marijuana programs. She stated Kansas laws need to evolve to reduce the burden on the criminal justice system and alleviate

the impact of cannabis laws that disproportionately affect the working class and people of color. The conferee also noted benefits of legalizing cannabis in Kansas, including creating jobs, stimulating local economies, generating tax revenue for public services, and helping address social injustices caused by prohibition.

In response to a question from a Committee member, the Research Analyst for the Kansas Sentencing Commission stated he did not have numbers specific to marijuana, but he confirmed that a disproportionate number of felony defendants who are incarcerated are Black individuals and about 85 percent of all felony convictions impact those who meet the definition of indigent.

Cannabis Freedom Alliance

The co-founder of the Cannabis Freedom Alliance and President of The Weldon Project addressed the Committee as an advocate of marijuana reform. He spoke about his experience being convicted and sentenced for a marijuana crime in 2004; because of mandatory minimum sentencing guidelines, the conferee was sentenced to 55 years in prison. He was released after serving 13 years and now works as an advocate for marijuana reform. The conferee stated that reforming marijuana law in Kansas could improve public safety, free up law enforcement resources for more pressing issues, and prioritize the well-being of Kansans. He discussed how a well-regulated medical marijuana program could provide law enforcement with a clear distinction between legal medical use and illegal activity, and revenue generated from the program could be used for law enforcement training and public safety initiatives.

Physicians, Medical Professionals, and Patient Advocacy

Kansas Medical Society

The Executive Director of the Kansas Medical Society (KMS) spoke to the Committee, stating KMS continues to be in opposition to the legalization of medical marijuana. She stated KMS believes more evidence of medical efficacy is needed.

The Executive Director of KMS introduced a physician representing the International Academy on the Science and Impact of Cannabis to testify on behalf of KMS. The physician provided an overview of his experience practicing medicine and discussed his concerns about THC concentration in marijuana products. He suggested that, in terms of medical applications of marijuana and THC, the FDA-approved, Schedule III drug Marinol may be prescribed.

Kansas Pharmacists Association

A practicing pharmacist and owner of multiple rural pharmacies representing the Kansas Pharmacists Association spoke to the Committee in support of medical marijuana with the caveat that it be dispensed by licensed pharmacists in Kansas. The conferee stated that pharmacists already safely dispense controlled substance prescriptions, and they are well-versed in federal and state agency reporting procedures and requirements. He noted cannabis could integrate with the established reporting system pharmacies already use, and pharmacists are uniquely positioned to provide patient education and screening and monitor for misuse. The pharmacist requested, if marijuana is rescheduled at the federal level, that state laws be amended to mirror the change so that pharmacies in Kansas do not have to navigate conflicting regulatory structures.

Kansas Cannabis Coalition

The President of the Kansas Cannabis Coalition, a registered nurse, provided testimony to the Committee in support of medical marijuana. As a nurse, she stated she educates professionals and patients on how to use cannabis safely and discussed some common misunderstandings regarding the therapeutic benefits of cannabis and the types of relief it may provide. As an example, the conferee describes how different products and consumption methods can provide relief for different periods of time. She stated support for a medical marijuana program that can provide Kansans with access to clean, tested cannabis products at an affordable price with patient, public, and health care provider education and safety as its cornerstone.

Business and Finance

Kansas Chamber of Commerce

The Senior Director of Government Affairs for the Kansas Chamber of Commerce expressed concern to the Committee about bill language that would prohibit businesses from enforcing their own drug testing policies. He stated his organization values the ability of employers to determine drug testing standards suitable for their business, and future legislation should protect this ability.

League of Kansas Municipalities

The Government Affairs Director for the League of Kansas Municipalities provided testimony to the Committee, stating that his organization does not have a stance on whether marijuana should be legalized in Kansas, but they would request that any future legislation regarding medical marijuana not alter local zoning authority, address local taxation, and allow cities to issue permits for dispensaries. The League's members believe that cities should have the ability to opt-in to allow medical marijuana sales locally and restrict sales locations through zoning regulations. The conferee also requested that revenue from fines and fees be apportioned back to cities for the purpose of training law enforcement and human resource professionals.

Kansas Cannabis Chamber of Commerce

The Board President of the Kansas Cannabis Chamber of Commerce spoke to the Committee about the business and financial opportunities associated with medical marijuana programs. She stated that marijuana prohibition is a barrier to economic growth and opportunity, and reform could lead to new business development and job creation, noting a study by the Kansas City Federal Reserve that found legalizing cannabis led to a 3.0 percent increase in state income per capita. The conferee also noted a *Kansas City Star* editorial that estimated cannabis could generate up to \$50.0 million in annual tax revenue, and the Kansas Speaks Survey, which reflects that a majority of Kansans support legalizing both medical and recreational marijuana.

Perspectives from Other States

Utah

The Senate Majority Leader for the Utah State Senate spoke to the Committee about his experience developing medical marijuana legislation and observing the state's implementation of the program. The Senator explained that Utah's medical marijuana program is based on a pharmacy model, requiring similar laws, and that a pharmacist must be on duty whenever the pharmacy is open for business; he stated this approach to medical marijuana treats the drug like medicine from both a regulatory and medicinal perspective. The Senator also discussed other features of Utah's medical marijuana legislation, including:

- Ensuring that a medical professional works with patients from start to finish;
- Requiring physicians and practitioners who prescribe cannabis to complete additional education and receive certification to become a "Qualified Medical Provider";
- Establishing a reasonable list of qualifying illnesses in order to receive a medical marijuana card;
- Setting limits on quantities that can be purchased within a 30-day period;
- Establishing an electronic verification system;
- Setting up dual regulation between two state agencies; and
- Creating criteria for licensing, operating procedures for entities, and qualifications for employees and owners.

The Senator stated that Utah has approximately 80,000 medical cannabis cardholders and 15 pharmacies that dispense medical marijuana across the state.

The Senator also expressed that the Utah Legislature continues to work on various aspects

of the program, with continuing challenges including addressing excessive patient fees; restrictions on advertising, vertical ownership, and delivery; and the push for recreational use.

Mississippi

The Executive Director of the Mississippi Medical Marijuana Association testified before the Committee regarding the process Mississippi pursued to craft medical marijuana legislation. He stated the state focused on four key tenets:

- The program should be patient-focused;
- The program should be a free market system;
- The program should provide physicians, physician assistants, and nurse practitioners with decision rights; and
- The program should be self-sustaining.

The conferee stated there are approximately 46,000 medical marijuana cardholders in Mississippi and almost 400 different businesses involved in the program, including dispensaries, cultivators, processors, transportation companies, testing labs, and a research facility at the University of Mississippi.

October 28, 2024, Meeting

Marijuana Public Policy Issues

A representative of Smart Approaches to Marijuana (SAM) spoke before the Committee about his own experience with marijuana addiction and his organization's policy positions on marijuana. SAM's position is that if marijuana is to be used as a medication, it should be part of a FDA process where products are examined for safety and efficacy. The representative stated his organization's concern that a medical marijuana program would lead to a much-less-restrictive adult-use program, which brings with it a number of risks, from increased daily use of marijuana in individuals to the involvement of organized crime.

Law Enforcement and Public Safety

Kansas Bureau of Investigation

Testimony was provided to the Committee by the Director of the Kansas Bureau of Investigation (KBI) regarding the agency's concerns about legalization of marijuana in any capacity, which he stated would increase criminal activity, negatively affect the youth population, and make citizens less safe and less healthy overall. The Director stated that organized crime increases in other states that have legalized marijuana use, along with increases in negative social impacts and illegal marijuana sales.

The Director also stated that the Legislature should look at Kansas hemp laws, as the current statute is creating frustrations for law enforcement in prosecuting marijuana cases.

A Laboratory Operations Manager with the KBI provided testimony to discuss statutes involving marijuana, THC, and hemp. He stated that definitions for and references to hemp, hemp products, and THC in statute create ambiguity for law enforcement and prosecutors, making it difficult for them to prosecute certain crimes. Additionally, the many different types of cannabis-infused products on the market, including drinks and edibles, make it difficult for the lab to get samples into a suitable format for testing.

Law Enforcement Action Partnership

A representative of Law Enforcement Action Partnership and former U.S. Attorney for the District of Kansas spoke before the Committee, stating his opinion that law enforcement resources are better utilized in the fight against fentanyl rather than pursuing marijuana offenses. He stated that criminalizing small amounts of cannabis has caused significant harm to individuals who are using the drug for medical purposes, and Kansans should have the option to make their own decisions about medical cannabis use for their health.

Show Me Organics

A retired police chief and Chief Operations Manager for Show Me Organics, a cannabis company based in Missouri, provided testimony to the Committee. The conferee spoke about the importance of regulation to ensure operators are in

compliance and able to provide clean, tested cannabis to patients in need.

Reno County District Attorney

The Reno County District Attorney (DA) spoke to the Committee regarding a legal issue involving sentencing laws that govern hemp products containing THC and laws that govern controlled substances, including THC. Current law leaves hemp producers whose products exceed the 0.3 percent THC limit with the potential of being prosecuted similarly to crimes involving much higher THC concentrations. The DA proposed changes to KSA 21-5706 and KSA 2-3908 to provide more clarity. He also suggested the Legislature consider establishing a regulatory scheme that would impose fines for violations of the hemp statutes in addition to already-enacted criminal provisions.

The DA also addressed two potential issues he believes are behind the lack of prosecution for marijuana cases. He stated that many local prosecutors have proactively notified businesses of their intent to prosecute items prohibited under KSA 2-3908, and that it is cost prohibitive to send items to labs to be tested for specific THC content that is the basis for prosecution.

Physicians and Health Care Professionals

International Academy on the Science and Impact of Cannabis

A physician representing the International Academy on the Science and Impact of Cannabis provided testimony to the Committee about her professional experience working with individuals who have a substance abuse disorder in Colorado before and after the state legalized adult-use marijuana. She stated her program saw a success rate of 80.0 percent before marijuana legalization, and it dropped to 50.0 percent after cannabis products became legal for recreational use. The physician stated she saw patients with significant cognitive issues, which she attributed to the use of high-THC products. In her opinion, having worked with patients who have post-traumatic stress disorder (PTSD), medical marijuana is not an appropriate treatment option, as it only provides temporary relief and must be used multiple times per day. She stated marijuana can interfere with sleep stages and quality of sleep, as well as have a

negative impact on learning and memory functions.

Four County Mental Health Center

The Executive Director of Four County Mental Health Center spoke to the Committee about substance use and mental health, particularly how marijuana can impact the mental health of adolescents. He stated his concern that marijuana use can precipitate the onset of serious mental illness by as much as ten years for those who have a predisposition to a condition and cited studies that marijuana use can lower the effectiveness of psychotropic medications. The conferee stated his belief in effective regulation and urged the Legislature to be cautious in their approach.

Cannabis Pharmacy – Utah

A pharmacist who currently works for a medical marijuana pharmacy in Utah provided testimony to the Committee. In Utah, medical marijuana pharmacies solely dispense cannabis products. The conferee has been working as a pharmacist for 25 years.

The pharmacist stated that much like a regular pharmacist, her role involves explaining to patients how different products work, providing guidance on how to take their prescribed products, and educating them on different types of products to determine the best approach for each patient. She stated Utah has tight regulations as to who can pick up a patient's medication, how much a patient can purchase per month, and how products may be advertised and packaged. Additionally, the pharmacist stated that Utah has 11 qualifying medical conditions for those over the age of 21; individuals under 21 or seeking treatment for a different condition may petition the state's Compassionate Use Board, which is composed of seven medical professionals appointed by the Executive Director of the Utah Department of Health and Human Services and confirmed by the Utah State Senate.

Veterans

Veterans Alliance for Holistic Alternatives

The Founder and Executive Director of Veterans Alliance for Holistic Alternatives provided testimony to the Committee in support of the creation of a medical marijuana program in the

state. He spoke about his personal experience with a traumatic brain injury, chronic pain, insomnia, and PTSD after having served in the military in Iraq. The conferee stated he followed the prescribed regimen of medications for dealing with his issues, but his problems did not improve and his quality of life degraded. He stated access to medical marijuana provided relief and allowed him to discontinue his prescription medications. The conferee encouraged the Legislature consider medical marijuana legislation to give Kansans access to more holistic options for managing their health.

Retired Servicemembers

A retired sergeant who served in Afghanistan and now works as a real estate appraiser testified before the Committee. The conferee is also involved in a veteran-focused nonprofit and multiple boards that assist veterans. Through this work, he stated he has observed struggles with alcohol, drugs, and suicide impacting veterans and their family members. The conferee stated his research about medical cannabis led him to become an advocate for its use for veterans.

A retired combat medic and Vietnam veteran also shared his experience with the Committee. He stated he disagreed with the use of medical marijuana until his wife developed dementia and became aggressive and agitated. He stated his wife's personal physician and psychiatrist suggested medical cannabis could be beneficial. With his family's support, he provided small doses of medical cannabis daily, which he stated greatly improved her quality of life and allowed her to discontinue some prescription medications.

Agriculture, Hemp, and Cannabis Reintegration

A representative of Kansans for Hemp and Planted Association of Kansas and volunteer board member for the Kansas Department of Agriculture's Industrial Hemp Advisory Board spoke to the Committee about marijuana law reform to reflect current research and public opinion. He provided research gathered over the past eight years about Kansas' history with hemp and marijuana. He stated that hemp once grew wild across the state, and Kansas was the first state to implement hemp eradication under a misguided notion that it was the same as cannabis. He stated studies and cannabinoid analyses conducted at

Kansas State University in the 1970s found that the plants growing wild in Kansas were of the fibrous hemp variety rather than cannabis bred more specifically for THC content. He stated that past surveys of Kansas farmers found that they valued hemp for its ability to keep away more invasive weeds and provide food for farm game, such as birds and pollinators. The conferee also noted that it is his understanding the 0.3 percent THC limit was first cited in a Canadian taxonomic report.

Overall, the conferee stated that having adaptable solutions based on accurate information that meet people where they are is key, and a commercially unregulated market of any drug ultimately means that the market is in the hands of criminals. He suggested that achieving a medical marijuana program that protects public health and patients is possible but must be supported by quality evidence and data.

Banking

Kansas Bankers Association

The Vice President for Government Relations and Staff Attorney for the Kansas Bankers Association (KBA) provided testimony to the Committee regarding the marijuana industry and federal banking laws. She stated that under current law, any money that can be traced back to marijuana operations poses a risk to banks in their legal, operational, and regulatory functions, and those who are indirectly tied to the marijuana industry also pose a legal risk to banks. The conferee stated the KBA has no formal stance on the legalization of marijuana, but the organization does encourage federal and state regulatory agencies to provide greater legal clarity to banks operating in locations where legal cannabis businesses exist. She also stated the KBA is in support of the SAFER Banking Act.

Office of the State Bank Commissioner

The General Counsel for the Office of the State Bank Commissioner provided testimony to the Committee regarding the impact legalizing medical marijuana in Kansas would have on the banking system. He stated that implementing a medical marijuana program would not cause a substantial impact on how banks currently operate in Kansas, as it is a cash-intensive business and

would likely stay that way due to credit card companies refusing to do business with marijuana dispensaries and other marijuana-related businesses. The General Counsel suggested banks will be hesitant to do business with these types of customers until the issues around federal rescheduling of marijuana and the credit card companies allowing marijuana-related transactions are resolved.

Marijuana Policy Considerations

Marijuana Policy Project

The Southeast Legislative Manager for the Marijuana Policy Project (MPP) provided testimony to the Committee to advocate for reform of marijuana laws. He outlined MPP's six key points that it considers critical policy for a compassionate, patient-focused medical marijuana program:

- Implement explicit patient protections from arrest, detention, and prosecution;
- Ensure easy, ready access to medical cannabis;
- Allow adequate qualifying conditions to provide for patient access;
- Implement health and safety protections;
- Ensure adequate anti-discrimination protections for patients; and
- Implement confidentiality protections for patients.

Private Citizens

Testimony was provided to the Committee by a private citizen regarding the potential of the cannabis industry and industrial hemp. She stated that the benefits of hemp often get lost in the conversation about medical marijuana, and she advocated for hemp to be treated as a standard crop option for Kansas farmers so that the state may benefit from the economic development potential of industrial hemp.

A second private citizen spoke to the Committee in support of marijuana law reform in Kansas and included several resources in his testimony.

Medical Marijuana in Utah

The Director of the Center for Medical Cannabis in Utah provided testimony to the Committee regarding the success of the state's medical cannabis program and the strengths and challenges of its pharmacy model. The Director stated that since the program's start in 2020, there have been more than 89,000 medical cannabis patient cards issued, and 950 medical providers, 76 licensed pharmacists, and 15 medical cannabis pharmacies registered with the state. Medical providers must meet cannabis educational requirements and may serve no more than 15 patients. Medical cannabis pharmacies cannot sell anything but medical cannabis products; regular pharmacies that dispense FDA-approved drugs cannot provide medical cannabis.

The Director stated a strength of the program is that patients must first meet with a medical provider for an in-person assessment and educational appointment on safe and responsible use. First-time patients must also meet with a medical cannabis pharmacist to discuss types of medical cannabis products, dosages, and potential side effects. He stated a pharmacist must be present during all business hours to answer patient questions, and the medical providers and pharmacists share a statewide software system for patient treatment notes.

The Director noted that Utah's program has experienced higher costs of medical cannabis products due to the expense of having a pharmacist on duty. Operating costs are also increased by oversight, including requirement that a pharmacist review every sales transaction.

The Director also provided information about Utah's Medical Cannabis Advisory Board and its role in making recommendations and giving feedback to state policymakers about the program.

Cannabis Industry

Kansas Natural Remedies

A representative of Kansas Natural Remedies spoke to the Committee as a proponent of the creation of a medical marijuana program in Kansas. He spoke in favor of adopting a model similar to Utah's that, if tightly regulated, would diminish black market sales. The conferee stated that many of the social problems attributed to legal marijuana are affected by a wide variety of factors that are not strictly marijuana-related. He recommended a well-regulated application process and thorough vetting would be important considerations for any future medical marijuana legislation.

Show Me Organics

The Chief Executive Officer and President of Show Me Organics, a cannabis company operating in Missouri, provided testimony to the Committee. He spoke about his experience with a vertically integrated business that cultivates, manufactures, and sells medical and adult-use marijuana in Missouri. He stated one of the key elements to effective regulation is having a quality seed-to-sale partner for tracking plants and products and providing data that can be used to understand the impact of the program. The conferee stated that a challenge for regulators is that some of the language in the Missouri cannabis statutes was not entirely clear, which has led to lawsuits, particularly in regard to how licenses were awarded.

Cannabis Industry – Growers

Coastal Cannabis Consulting

A representative of Coastal Cannabis Consulting spoke to the Committee about his experience as a cannabis business owner operating in Washington, Louisiana, and Mississippi. He stated that it is important to do everything possible to have a well-regulated market, but the reality is that the underground market will always exist. The conferee suggested that a successful medical marijuana program needs policy that allows for the program to be sized and grow based on actual patient counts and demand; he stated commissioning a study before establishing a program could help the state understand how many patients they could expect to serve, how

many testing labs would be needed, how much grow capacity would be needed, and how many retail shops would be feasible.

Cannabis Industry – Tracking

Metrc

The Government Affairs Director for Metrc provided testimony to the Committee regarding the use of seed-to-sale tracking that provides a transparent, secure, and safe centralized inventory system for state regulatory programs. She stated that Metrc's system provides a database for the state to track every legal plant and product in the supply chain, testing results, transfer of products, and sales information in real time. The conferee explained that these metrics help ensure the medical marijuana marketplace is safe and secure by creating a closed-loop supply chain and informing effective policy decisions. The data can also be used to help predict cash flow, observe consumption levels, assist with public safety, and monitor licensing and patient registration.

Kanha Technologies

The Chief Executive Officer and President of Kanha Technologies spoke to the Committee about how his company develops enterprise resource planning systems for every type of operation within the cannabis supply chain and for government use. The conferee discussed the use of tags used for tracking, including radio-frequency identification tags, which are more expensive but more efficient, and universal product code tags, which are barcodes that are more labor-intensive to scan but are significantly less expensive. The conferee stated his company is able to generate encrypted tags that are unable to be counterfeit and that producers can print themselves at low cost.

Cannabis Industry–Testing and Quality Assurance

PGx Medical

The President of PGx Medical spoke to the Committee about the importance of quality assurance (QA) testing of medical marijuana products. He stated QA testing sets the standards for the state from a regulatory perspective and ensures there are no pesticides or heavy metals in the products being provided to the public. Like other industries that are regulated, the conferee stated it is good practice to test and provide

evidence that state standards are being met. The conferee also described how randomized testing is used and how labs operate as public-private partnerships with states.

Gateway Labs

The Quality Manager for Gateway Labs provided testimony to the Committee regarding testing laboratories. She stated that labs test for quality, to ensure patient safety and the integrity of the data, and to hold medical marijuana to the same standards as other pharmaceuticals.

Accreditation requirements for licensing labs provides standardization for equipment, methods, and reporting. The conferee stated that State oversight would be needed to monitor the frequency and range of lab failures to ensure the safety and efficacy of products in Kansas.

CONCLUSIONS AND RECOMMENDATIONS

Following discussion, the Committee made no formal recommendations.