

Kansas Bureau of Investigation

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Before the Senate Committee on Federal and State Affairs Regarding SB 555 (Opponent) Tony Mattivi, Director Kansas Bureau of Investigation March 27, 2024

Chairman Thompson and Members of the Committee:

The Kansas Bureau of Investigation (KBI) strongly opposes SB 555, which purports to be a pilot program for the limited distribution of marijuana for healthcare purposes.

I use the word "purports" because I believe the ultimate goal of SB 555 is to open the door for the legalization of recreational marijuana. The most obvious evidence of that fact is tetrahydocannabinol (THC) is already legally available via prescription in Kansas. FDA approved cannabinoids include Epidiolex (unscheduled), Marinol (schedule III) and Cesamet (schedule II). Accordingly, Kansans with a potentially legitimate pharmacological need for cannabinoids already have a legal and safe way to access them.

Because there is no legitimate medical need for SB 555, I suggest there are two true purposes for this bill: incrementalism and profit. Incrementalism means that this bill is one step toward the cannabis industry's goal to normalize marijuana use at any level. The next step, of course, would be to widen the "medical marijuana" approvals. SB 555 boldly advertises this intent with the establishment of a new state run medical cannabis and research fund (See SB 555 Sections 35-38).

The second purpose of SB 555 is clearly profit. This is evidenced by the fact that the bill aims to open the Kansas cannabis market to an extremely limited pool of already existing hemp producers. The language of the "pilot program" attempts to convince this legislative body and the public that it is limited in scope and effect. It is really designed, however, to limit those who hope to profit on marijuana both now and in the future. Unfortunately for them, real-life experience in other states has shown that organized crime will quickly squeeze these existing hemp producers out of the drug distribution business.

Even more concerning than the motive for SB 555 is the terrible and certain outcome. Simply put, opening the door of marijuana legalization is an invitation to increased crime in Kansas. Proponents of this legislation will undoubtedly call this speculation or fear-mongering, but it is

absolute fact. Oklahoma's experience was documented in a March 14, 2024, article in ProPublica, which I have attached for your review. As Terry Gross, from NPR's show Fresh Air said just last week²:

"When states started legalizing marijuana, one of the hopes was that it would cut down on crime because people could buy it legally from licensed sellers. But in some states, including Oklahoma, legalization inadvertently helped organized crime, especially the Chinese mafia, exploit new opportunities."

I would like to add context to these media reports. This Committee and the rest of the legislative body have heard me – and the subject matter experts at the KBI – testify repeatedly about the fentanyl crisis. We speak regularly about how fentanyl and its precursors are coming across our southern border, trafficked by Mexican cartels and Asian organized crime. You have responded to that crisis by providing legislation and funding that will help the KBI and its law enforcement partners fight fentanyl. Unfortunately, drug dealers don't follow definitions or rules. As they see ways to make money and create new customers, they move aggressively and violently. Our colleagues at the Oklahoma Bureau of Narcotics (OBN) advise us that the media reporting is correct.

OBN has noted significant organized criminal activity under the guise of "legal" medical marijuana. Since Oklahoma legalized <u>medical</u> marijuana, the homicide rate has increased, the property crime rate has increased, they've seen an increase in human trafficking in their state, and they have a novel illegal drug problem known as ketamine. Historically, it is not a drug of choice among Oklahomans, but is now being found at crime scenes in the state. Not coincidentally, ketamine <u>is</u> a drug of choice within Asian crime syndicates.

OBN has also seen an increase in arsons, accidental fires and code violations as these violent gangs execute hostile takeovers of land and businesses via both open threat and straw ownership. The regulation and licensing process got so bad so quickly that Oklahoma had to create a whole new state agency, the Oklahoma Medical Marijuana Authority (OMMA)³. This is particularly troubling as SB 555 has nearly non-existent regulatory or law enforcement oversight. As an example, Section 5's 80% residency requirement has no verification or review process. Mexican cartels and the Chinese criminal syndicates (Triads) will take advantage of this gap in the same way they have done so in other states.

The KBI's observations about the linkage of increased violent crime to any level of marijuana legalization are not limited to the disastrous results in Oklahoma. In May of 2023, the Midwest High Intensity Drug Trafficking Area (HIDTA) (which does not include Oklahoma) issued a report titled "Marijuana Legalization in the Midwest: The Impacts Updated." ⁴



Gangsters, Money ₁ and Murder_ How Chi

² How the Chinese mafia came to control much of the illicit marijuana trade in the U.S.: NPR

³ Oklahoma Medical Marijuana Authority (455)

⁴ Midwest HIDTA Marijuana Impact Report Vol. 2.pdf (wsimg.com)

I will emphasize just a few of the many valuable data points in this assessment. First, seed-to-sale tracking systems (such as the one proposed in SB 555) are ineffective at preventing the diversion of marijuana from "legal" dispensaries and cultivation facilities to the illicit market. Second, Iowa, Missouri and North Dakota (the three states in Midwest HIDTA with medical marijuana legalization) all experienced increases in crimes against persons after legalization. Third, following the legalization of medical marijuana in Missouri in 2018, law enforcement agencies in St. Louis reported an increase in the number of homicides, aggravated assaults and weapons violations involving marijuana. Fourth, following medical marijuana legalization, the percentage of total traffic fatalities involving a driver testing positive for cannabinoids increased in each of the three states noted above.

The report goes on to cite significant statistics about the negative impact of potent medical marijuana on users as well as the health systems and providers who treat them. The report cites concerns about the environmental impact of the marijuana industry account for significant electrical use (1% of all electricity used in the US in 2016) as well as wildlife poisoning, water diversion and destruction of native habitats. These areas are outside the expertise of the KBI, however I urge you to read the report to gain an understanding of these issues as well.

Finally, while I have many concerns beyond what I have articulated I will end with these three. The first concerns SB 555's lack of provisions allowing legitimate law enforcement access to the proposed seed-to-sale system. Without full and complete access to the seed-to-sale programs legitimately produced marijuana will unquestionably be diverted to the illicit market - just as our colleagues have seen in Oklahoma, Iowa, Missouri and North Dakota. We do not want to see this happen in Kansas. Second, I am extremely troubled to see the nearly complete absolution of legal liability (criminal or civil) to anyone involved in this seed-to-sale profit grab. Third, Section 31 prohibits a Court from issuing protective orders in a Child in need of Care case when medical marijuana defined by SB 555 is the issue. In other words, Kansas Courts will not be able to use established standards of review for just this one, apparently sacrosanct, issue. A Court can consider alcohol, prescription drugs and anger control problems but cannot consider marijuana?

This bill is bad public policy which would put all Kansans at greater risk of harm. Thank you for the opportunity to provide written and oral testimony against SB 555. I ask that you read the cited articles, and that you please consider my testimony – as well as the other opponent testimony – and refuse to move this bill forward.

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