

Christopher Malott  
Testimony  
Phyre Holdings, Inc.  
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Madam Co-Chairs, Senators, Representatives, I appreciate the opportunity to testify again today. For those of you that may not recall, my name is Chris Malott and I am an experienced entrepreneur with a background in Software Engineering and I am a Medical Cannabis Grower. I am a member of the Oregon Cannabis PAC, and today, our company, Phyre Holdings, Inc. offers products and services spanning technology to cultivation for the Medical Cannabis industry here in Oregon.

You are working on truly historic legislation as you consider the complexities of implementing Measure 91. You are facing a great number of challenging and sometimes contentious issues as you work to chart a course to solid, fair, and balanced legislation. It is a difficult task and I applaud you for your efforts thus far.

Today you are hearing from a great number of folks who are passionate about Oregon's Medical Marijuana program; Individuals that honestly and steadfastly believe in the medicinal value of Cannabis in assisting in the treatment of a myriad of diseases and ailments where Cannabis has demonstrated efficacy. I am passionate about ensuring safe and continued access for the thousands of Oregonians that find relief every day from the novel Chemistry that is Cannabis. My wife is one of those people. Since the young age of twelve years old she has suffered from Rheumatoid Arthritis. The majority of her life has been lived in a state of pain and health complications that most folks, thankfully, do not have to contend with, especially not when they are young. Until suffering a severe injury last year from a reaction to a Fluoroquinolone Antibiotic, Levequin, that left me unable to walk for nearly five weeks, levied damage to my Kidneys, and incited a myriad of awful and terrible symptoms, including peripheral neuropathy and severe pain, which I continue to contend with today, I did not fully understand the extent of the day to day medicinal benefits of Cannabis.

Cannabis has substantially benefited the health and wellbeing of my family tremendously. And it is extremely important to us that the State of Oregon supports a vehicle that ensure safe and continued access to medical marijuana for the thousands of Oregonians that need it.

It is in that spirit that I offer my thoughts on the issues at hand.

Over time, all things evolve. As an entrepreneur grows his company, so to does legislation evolve. Today, we are evaluating potential venues to evolve Oregon's Medical Cannabis program. The principles of any such changes, I believe, should encompass the following:

- 1) Ensure safe access to Medical Cannabis.
- 2) Ensure tax free access to Medical Cannabis.
- 3) Limit the potential for illegal Cannabis to enter the black market through sound legislative changes.

- 4) Allow patients streamlined access to Medical Cannabis by allowing licensees to serve both medical and recreational markets.
- 5) Continue to allow for a stand-alone medical program that is both fair and balanced and protects the rights of growers and patient alike.
- 6) Allow patients and growers to continue to work together directly.
- 7) Allow excess marijuana produced under the medical program to be allowed in dispensaries that decide to continue to serve only medical patients.
- 8) Require medical growers wishing to sell into an OLCC licensed facility to undergo the same licensure and regulatory process as recreational growers.

At this time, there are two bills you are considering: Senate Bill 936 and House Bill 3400. Both of which have elements that are very similar. As an example, both bills add requirements to marijuana grow sites. Both require patients and producers to register with the OHA. Both seek to limit card stacking at a given location. Both require the OLCC and OHA to work together in developing new rules. Both bills require a system to track the amount of plants grown and marijuana produced. And both bills call for inspection of medical marijuana grow sites. They differ on plant counts, SB 936 limits the count to 24 mature plants, while HB 3400 allow for 48 mature plants.

To be clear, I, and the Oregon Cannabis PAC, do not have a position on the number of plants allowed at a medical grow site. We believe the legislature should decide what limits are appropriate under this new system.

Today, we know that there are thousands of patients that have listed themselves and their own address as a grow site, but have never grown at their location. We also know that thousands more, as a result of the OHA adopting a rule last year under which patients are no longer required to list a grower or grow site have opted to list no grower.

As a grower, setting up a grow operation and producing high quality Cannabis isn't a simple process. It carries an expense, time in experimentation, space, and acquisition of effective strains, and above all else learning. So it makes sense that a large number of the patients in the medical Cannabis community would turn to dispensaries that carry a diverse set of tested flowers, concentrates, and other products when considering their individual approach to treatment.

Working directly with growers, or as a grower working directly with patients, can also have contentious elements, that is why the patients I work directly with, such as my Step Father who is formally an Officer in the Marine Core during the Vietnam Era and has undergone a number of back surgeries that have left him with chronic and severe pain, are largely comprised of close friends and family. Beyond that, we feel extremely positive about the hundreds and even thousands of patients we can impact through our relationships with dispensaries here in Oregon.

So I believe that the trend of patients accessing facilities that are regulated, have standards in place for quality and testing, and operate in compliance with appropriate laws will continue to increase. But that isn't to say that direct patient to grower relationships should cease or do not have their place in the future of our industry.

So as you consider changes to the medical program, again, I encourage you to take a fair and balanced approach that ensures patients today and long after the implementation of the recreational program are well taken care of.

I appreciate your time.