Serious Enterprise's Testimony on HB 4014 -1 Provided by: Lindsey Rinehart

Thank you for your careful crafting of this bill to further the cannabis industry. While most of this bill is ready to pass, there remain additional concerns that are reflected in this testimony. Thank you for your consideration of these comments.

First and foremost, I have copied a part of Anthony Taylor's testimony as Serious Enterprise's testimony as well, and we strongly support what he said here:

In Regard to Processors:

"SECTION 7. ORS 475B.443 is amended to read: "475B.443. (1) A marijuana processing site may not transfer medical cannabinoid products, cannabinoid concentrates or cannabinoid extracts to a person other than [a registry identification cardholder, a designated primary caregiver] another marijuana processing site or a medical marijuana dispensary.

Amendment: "475B.443. (1)

- (a) Except as provided for in paragraph (b) of this subsection a marijuana processing site may not transfer medical cannabinoid products, cannabinoid concentrates or cannabinoid extracts to a person other than [a registry identification cardholder, a designated primary caregiver] another marijuana processing site or a medical marijuana dispensary.
- (b) a marijuana processing site may transfer cannabinoid products, concentrates or extracts to a registered identification cardholder or designated primary caregiver provided the processing site has transferred the cannabinoid products, concentrates or extracts back to the patient after processing for the sole use of the patient and the amount transferred may not exceed the amount a registry identification cardholder and designated primary caregiver may jointly possess under ORS 475B.430."

Medical cannabinoid extraction companies will need to be able to return what they process to the registry identification cardholder, caregiver, or grower that provided the cannabis to them for extraction.

Further, extraction processors often help patients who cannot afford the extracts needed to treat serious medical conditions at no cost to the patient, and need to be able to provide extracts directly to patients for free, or at the cost of production. Dispensaries will simply not be able to provide the amounts of cannabis extract to a patient for free, that an extract processor can. The extract is usually sold to a dispensary at \$15-\$25 per gram, and then transferred to a patient or caregiver for \$30-\$50 per gram. This is not affordable for many patients that have income barriers that are consuming even one gram of edible extract per day.

In regard to Micro-Canopies and Medical Growers:

While the -10 Amendment is a greatly appreciated effort, if the date could please be extended for the new plant limits to take effect until December 31st, 2016, that would allow the proper amount of time for micro-canopies to be in effect and more options will be available for patients that will need growers due to the plant limits being reduced.

Additionally, growers seeking a Micro-Canopy, and small medical cannabis producers would greatly benefit from the LUCS not being an OLCC requirement to "opt in" for medical growers. While small medical grows are permitted under OMMP in counties that have implemented moratorium, "opting in" would not be an option for these growers. Many of these growers are located in Southern and Eastern Oregon and supply high quality medical cannabis and extracts to medical cannabis dispensaries around the state.

Thank you again for your time and attention to these matters.