

Submitter: Matt Cyrus

On Behalf Of:

Committee: Senate Committee On Natural Resources and Wildfire Recovery

Measure: SB1564

Testimony in Opposition to SB 1564

My name is Matt Cyrus and I am a 6th generation family farmer near Sisters, Oregon. I began raising hemp when it became legal in 2016 and have maintained both Grower and Handler licenses since that time. Hemp became legal nationally in 2018 and 2019 saw a surge in production across the nation that resulted in a huge oversupply of hemp and a crash in prices. In 2020, production dropped, but not enough and supplies increased even more. In 2021, based on the market for hemp being below production costs, Myself and many other legitimate Oregon farmers didn't plant and instead worked on selling the inventories that had built up over the past two years.

It simply made no economic sense to continue to raise a crop that cost more to produce than what it could be sold for. I would venture to guess that 2021 had the highest percentage of illegal "hemp" growers simply because the normal market didn't justify growing the crop that year.

It makes no sense to put a moratorium on production for two main reasons.

First, the proposed moratorium would limit production to those who were licensed in 2021. While many of us didn't raise hemp that year, we did maintain our licenses so we could continue to sell our crop. I would argue that limitations to this year would reward the bad actors who were growing illegally, while punishing the good actors who sat out due to economic reasons.

Secondly, hemp is grown internationally. Putting a moratorium on Oregon production only hurts Oregon farmers and could actually increase black market production. Any reductions in Oregon production will be absorbed by the other states and could have a long term negative impact on Oregon's hemp industry. Oregon has, so far, been a leader in the national hemp industry and, in fact, the Global Hemp Innovation Center is based at OSU and is the leader in hemp research. As a side note, it was OSU research that discovered CBDA and CBGA as a COVID blocker.

In short, this moratorium would likely do more harm than good. It would reward the bad actors from 2021, while penalizing those who chose to sit out the year due to market conditions.

Please vote no on SB 1564.