

March 8, 2023

RE: HB 3049- OIHFA Public Testimony

Chair Holvey, Vice Chairs and Members of the House Committee on Business and Labor,

I am Courtney Moran, President and Lobbyist for the Oregon Industrial Hemp Farmers Association. I apologize for not being in person today, I am in D.C. lobbying for program amendments to the hemp provisions in the upcoming Farm Bill, including the [Industrial Hemp Act of 2023](#).

I want to provide a quick overview of [OIHFA](#): We reformed in 2015 as a response to seeing the need for the industry to come together to efficiently and effectively advocate for policy that supports the industry. We have worked very closely with the Oregon Legislature, our agencies, and law enforcement since our formation. We have passed 5 pro-hemp pieces of legislation in Oregon and advised on several other related pieces of legislation. We have also worked on all hemp-related rulemakings to date serving on many advisory committees and being appointed by Governor Brown to the HB 3000/SB1564 Taskforce on Taskforce on Cannabis-Derived Intoxicants and Illegal Cannabis Production. I will note that the Association is in process of evolving and we are becoming the Oregon Hemp Association, as we represent growers, handlers, and businesses throughout the hemp value chain.

We all worked hard on the Taskforce throughout 2022 and we were particularly grateful to have everyone at the table discussing the issues facing cannabis, including hemp, as a whole in Oregon. Representative Marsh and Representative Morgan both provided great leadership and we thank them.

Regarding HB3049, specifically, I must express concerns from the industry that have emerged over the past several years. In particular, with OLCC for not following legislative intent in the 2021 rulemaking on HB3000, banning D8 and nonintoxicating cannabinoids, including CBN. What we agreed to in the 2021 Legislative Session was to regulate them, NOT ban them. This was [evidenced by Rep. Morgan's surprise during our Taskforce subcommittee meeting on June 30](#) that they were banned and not regulated. The industry does not trust OLCC in rulemaking because of it. I'll note that this is not reflective of staff. I have appreciated and enjoyed working with Amanda Bourp and Steven Crowley in particular, but the agency itself we do not trust.

We understand ODA does not want to take on a product registry. And there has been a concern in the Legislature about the duplication of administrative costs, so we understand a system like this will likely need to go under OLCC- as that was what the Taskforce agreed to in the Final Report as Representative Marsh stated in her opening statements.

That being said, we remind the Legislature that the industry remains adamantly opposed to OLCC having any additional regulatory authority over hemp, especially manufacturing, and also remains adamantly opposed to any METRC-type tracking for hemp or hemp products- METRC does not guarantee consumer safety.

One of our primary priorities IS consumer safety and remind the Legislature that it was OIHFA in 2016 with HB4060 that establish the first mandatory testing on hemp products in the country!

Know, we all want consumer safety, which is why we recommended presentations on GMP during the Taskforce meetings and agree we need labeling regulation and don't have particular concerns with those provisions. I believe we all want to create a robust market for our industry participants for all cannabis products-hemp and adult use.

While the product registry is something we discussed during the Taskforce and agreed to as a recommendation as a middle ground, the industry was not directly consulted on what this looks like or how it would be implemented. With the -1 language just being released Sunday night, the industry is left with many questions, such as how this applies to online sales; who is required to file this registry- a distributor, wholesaler, product manufacturer; and what, if any, enforcement there will be. We do appreciate that the product registry does not apply to topicals, grain or fiber products without added cannabinoids, or registered animal feed.

Industry participation has declined dramatically over the past several years and we understand this is not only because of the decline in market value. But also market access resulting from the strict rules, inconsistent with legislative intent, in place on products by OLCC.

At one point Oregon was the #2 producing state in the country, now we are not even in the top 10! You can see the decline in our license numbers on the [ODA website](#). We cannot continue to regulate the hemp industry out of Oregon.

As such we cannot support the -1 until we have clarity and also confidence in the regulatory body granted oversight.

Respectfully,

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Oregon Industrial Hemp Farmers Association