

Thank you Chair, Co-Chair, and Committee.

My name is Jason Lampman owner and operator of a Micro Tier licensed cannabis farm in McMinnville, Oregon. I am writing this to beg you not to reinstate the moratorium on Producer licenses. It has been an expected rocky road down the path to legalization for farms. That being said, us and many of our fellow farms are getting the highest price we have ever gotten for our products with the need to produce more. We have followed the rules as they were written, contracted leases, paid for licenses, and purchased infrastructure such as cameras, greenhouses, and etc. There was no warning on the OLCC licensing webpage or any info released from the OLCC on the phone or through email except in agreement that Producer licensing would be and is open. With that information us and many others have invested in the future of our farms and in turn, the lives of our families and children. Retrospective bill legislation is unjust and detrimental to small business success and expansion.

The statement that Farms cannot survive is untrue. In fact most farms that you see in dispensaries are successful farms. Some farms may not survive but many will and are thriving. Us included. Many of these businesses that are demanding a license shut down have spent the last 5+ years recklessly expanding, not based on any market research or sales, and some are even purchasing other businesses in the industry. Just last week one Committee member ask for documentation that there is in fact proof that sex trafficking is happening in cannabis more than any other industry. In the same vein I ask you to demand proof from these farms. Proof that they have not expanded unnecessarily, that their sales in the market warranted the expansion or tier size of their operation. They have utilized an understanding of basic business 101 concepts such as supply and demand, return on investment, fixed and variable cost, and the law of diminishing returns. We should not draft rules based on these businesses without this documentation. And if businesses are failing without taking care to pay attention to responsible business practices, why are we writing legislature to protect them. This is a growing pain from moving from the black market to a regulated legal industry. At some point we must pin responsibility of the actions on the business owners. No longer are the days where as much as you grow sells. It is a new era.

We are very lucky to be in this industry here in Oregon where the rules have been so carefully drafted. If these farms that claim to be failing are having trouble they can use the rules set out by Oregon law to downsize their operation, with a

discounted license fee, to better fit their sales. The OLCC will walk them through the process step-by-step. We don't make rules based on unsuccessful businesses in any other industry and this should be no different. We make rules based on what IS working and by those of us that are successful. If businesses need help let's share some of the free resources from the Secretary of State and multiple other state agencies, not write retroactive bills that hurt successful small businesses.

What we have here is a monopolization and reward for poor business choices and reckless expansion and size. Who pays for this? It's not the black market growers or the businesses exercising these poor practices. It is me, my wife, my children and the countless other Oregonians and small business owners that have waited patiently, followed the rules, and used strategic planning, skill in our craft, and our hard earned money to invest in ourselves only to get the rug pulled out from under us. Passing this retroactive bill will hurt us and other small businesses immensely.

Most farmland must be rented on January 1 of each year and we begged our landlords to give us one extra day to know for sure our investment and lease would be worth it. We the day checking if licensing did in fact open on January 2, which it did and with no warning of the possibility of a retroactive bill negatively affecting our leases and multiple investments.

We have worked over five years researching market trends in the industry across the United States, taking business classes, and brainstorming new, innovative, and strategic ways to ensure the success of our business all the while raising three children and running a very successful business with no employees. Now it feels like we are being punished. Please do not revoke our licenses in the queue by retroactively passing this bill. At the very least start the moratorium at the time of Bill passage to be fair.

Oregon is so good to it's 200,000+ small businesses that have no employees. This includes having rules like ORS 183.540 that states if the cost shows that a rule has a significant adverse effect upon small businesses, the agency shall reduce the economic impact of the rule on small businesses by (1) establishing different compliance requirements or timetables for small businesses. (4) exempting small businesses from any or all requirements of the rule. (5) and otherwise

establishing less intrusive less costly alternatives applicable to small business. These rules, among others, are an example of the protections we are granted and expect from our representatives as small businesses in Oregon. Representatives, it is hard to follow legislation while running a farm and raising a family. We look to you to protect us. Not sneak bills through or retroactively date legislature.

In conclusion, I know you have a problem to solve and a job to do, but I believe this might be a panic move, not fully thought out, that hurts the successful businesses and not the black market growers which you are claiming are causing the problem. If we are to make rules and laws based on statements from failing businesses please demand they show proof they have not unnecessarily expanded and up to their plant counts for the past five years. Prove they indeed are at a loss. Let's ask these businesses what market research was done before choosing tier size and /or expansion. If you insist on a moratorium I ask and suggest, at a very minimum, you allow the licenses that are already paid into the system be granted, perhaps even in a staggered timeframe, instead of unfairly backdating this bill causing unfair financial hardship for businesses that have done nothing but follow the rules as they were written. Between my wife and I we are minorities and women owned. We have never asked for a handout, Grant, help, legislation change, or even a loan! We only ask that you write and pass rules in real time to be fair to small business owners and our families.

Thank you for your time and consideration.

Jason Lampman