

**Testimony before the House Committee on Economic Development and Small Business, HB 2516.
February 14, 2023**

My name is Brent Kenyon, I am a 25-year industry veteran, and consultant. I began working on cannabis policy in the late 90s and continue to work tirelessly on ensuring Oregon's cannabis producers are given them same opportunities Oregon has long provided its wineries, craft brewers and distilleries, the opportunity to showcase their products to Oregonians and those who visit our great state. After Oregon legalized cannabis for medicinal purposes and I provided extensive help and access to cannabis for patients. I was on the finance committee for measure 91, my third legalization campaign, and I spent hundreds of hours working with OLCC and other state partners on these issues

I submit this testimony today to express to members of this committee, the dire circumstances facing our small canna-business owners, including small family farms, and this one step Oregon could take to ensure these farms remain active producers of cannabis.

In the beginning, when implementing measure 91, we strongly advocated for a five-year hold on out-of-state license applications and investment to give Oregon small businesses a chance to succeed. This effort failed due to heavy push back and lobbying from the industry and representatives of large out-of-state businesses that forced the legislature to repeal the residency requirement on licenses originally adopted.

As you know, the Cannabis market has been crashing for several reasons, including illegal cannabis, production, over production by licensees and unlimited licenses being issued over the first four years of adult-use. Now, just over five years later, we are watching the decimation of small businesses, being consumed by large business, all the while the remaining small family farms and businesses are being pushed to the brink.

The concept I would like to see the Legislature support is a simple plan to give cannabis farms, the same opportunities provided other farms, wineries, craft brewers and distilleries in Oregon, -- the ability to sell our farm products directly to the public. Providing these small farms with the opportunity to also host private events would provide additional revenue for these farms and tourism opportunities and tax revenue for the state. It would also give these licensed farms the advantage to increase their brand increasing their chances of success in maintaining their businesses.

The price of cannabis is dictated by what the stores are willing to give to farmers and wholesale prices paid to farmers continue to drop below production costs while retail stores are often quadrupling the price to consumers. A true farm stand bill would give family-owned and independent farms greater ability to set pricing for their own products produced on their farms.

This next step should be as simple as the OLCC creating an endorsement under the existing farm license for this change. All licensees are required to adopt strict security measures that will help ensure public access to small farms and their products could be easily facilitated.

Given that licensed processing facilities are currently allowed to sell CBD products to the public out of the metric system. Any changes within the licensing structure or reporting through CTS for the farmstand would be just as simple.

Oregon is falling further behind other states in its development of public consumption and tourism around cannabis despite being one of the first to legalize it. I recently met with a group that is building a 55-acre, city approved resort and cannabis grow specifically designed for tourism in Weed, California. Other states have also included this approach in their new laws from the start.

Oregon has a long history of supporting its wineries, craft breweries and distilleries. It is time we extend the same opportunities to cannabis producers as well and If we do not act now to support Oregon's family farms, by the time national legalization occurs all out of state funded companies will be using our dirt to sell "Oregon cannabis" to the rest of the country and the money beyond production will be leaving Oregon.