

Submitter: Dan Weisberg

On Behalf Of:

Committee: House Committee On Business and Labor

Measure: HB3049

My Name is Dan Weisberg, and I am writing to voice my opposition to HB 3049.

I am part of the small leadership team of Indomira, Inc in Medford. We manufacture a hemp product line called Green Earth Medicinals. We work hard to comply with the laws of the State of Oregon. We have done so since we began operating in 2016 and hope to continue for many years to come. Both of the main actions of HB 3049 will make this more difficult.

Hemp Product Registration - Hemp Product Registration will increase the cost of doing business for good actors while doing little to deter bad actors, thus disincentivizing legal compliance without providing any real consumer protection. The last several years have been very hard on the hemp industry. Revenues have dropped while competition has increased far more rapidly than demand. In this time, ODA has also nearly doubled the cost of a Hemp Handler License and put in place additional costly compliance testing requirements for hemp and batches of hemp products. This has already made it more expensive to operate. Requiring product registration will make things even more expensive. States that currently have product registration require annual fees for each product. These costs add up to a significant amount for already struggling businesses. Squeezing companies too hard may have the perverse effect of leading some to choose to ignore regulation all together, including the compliance testing requirements, which are the most important for consumer protection.

Product Labeling Requirements - While labeling requirements are a very important part of consumer protection, state-specific requirements make operating very difficult. Unlike adult-use marijuana, which is not eligible for interstate commerce, Oregon-made hemp products can be sold nationwide. It is not reasonable to expect companies to maintain 50 different labels for each product in order to meet the labeling requirements of each state. There must be a single national standard of compliance. When designing our labels, we looked to the FDA labeling requirements. If the FDA were to put in place additional national labeling requirements for hemp products, we would be happy to comply. We understand the desire to step in and provide consumer protection where the FDA has failed to do so, but doing so will add considerable hardship.

Thank you for your consideration.