



TO: Joint Interim Committee on Marijuana Legalization
FR: Meghan Walstatter, Owner Pure Green
DA: February 2, 2016
RE: Testimony in Support of SB 1511

Chairs Lininger and Burdick, Members of the Committee:

My name is Meghan Walstatter and my husband Matt and I own Pure Green medical dispensary and just celebrated our two-year business anniversary last Friday. We serve inner NE and promote wellness by providing safe access to high quality and affordable flower, concentrates and edibles. Our products are lab tested to assure their safety. **I am here today to testify in support of SB 1511.**

SB 1511 addresses a number of important provisions. I would like to focus on expanded access via the siting of medical and retail cannabis in a single location for all types of licenses. I am very supportive of making statutory adjustments to allow for expanded access as it combines the dual goals of financial viability for businesses with continued medical access. This maintains a safe and consistent product that is affordable for patients.

The Oregon retail cannabis market is incredibly competitive. In order to compete and survive, we need to be able continue to serve both medical and retail markets in one location. From a strictly business perspective, in order to support myself and my family, I would be compelled to chose the bigger and more profitable market even though I am a long time believer in, and participant in, the medical market.

Forcing stores to choose between medical and retail licenses could severely limit patient access. It will also significantly hamper the industry. As of today, Oregon has 404 licensed, operating dispensaries. We understand that the regulatory agencies have begun looking at which dispensaries will switch to the recreational market if forced to choose and the response has been overwhelming. Close to 90% of the dispensaries licensed now intend to do so.

Currently, 44% of Oregon Medical Marijuana Program (OMMP) cardholders are eligible for some type of financial assistance. These patients need safe, tax-free access points. Patients will have longer distances to travel and significantly fewer options when it comes time to purchase their medicinal cannabis if dispensaries are forced to choose. Some of these patients might be driven into the illegal market because they have no access to a medical dispensary.



Allowing expanded access will reduce the challenges inherent in the transition from medical to retail, as it exists now. A store that chooses to participate in the OLCC program would, under the current rules, have to clear out its existing inventory and then re-open as an adult-use retail store. Stores will have low inventory while liquidating for the transition. Then storeowners will have to close down for an unknown amount of time to re-stock with OLCC approved inventory. This will be a financial hardship for businesses because they will lose revenue while closed and they will have to re-purchase inventory.

In addition, with every store buying their inventory at the same time, we will likely see price gauging and supply shortages before adult use shops are able to open. This could result in severe and unintended limitations on access for patients and adult-use retail customers. It would be unfortunate if Oregon cannabis regulations created a perverse incentive for people to seek product on the illegal market or to cross the border to Washington State. And, it would be detrimental if a number of small businesses went under because they simply were unable to financially afford the transition. In order to support a safe, legal and stable cannabis business community in Oregon expanded access allowing medical and retail to exist together is key.

Finally, access improves upon the concept of siting retail and medical together by vesting a single state agency with licensing and oversight across the supply chain, rather than burdening small businesses and taxpayers with duplicative and potentially conflicting regulatory structures.

In closing, again, **I strongly support SB 1511 and urge the Committee to move this bill forward.** Let's work together to adjust the regulatory model to fit the reality of what best serves patients, recreational customers, and our communities.