



Testimony in Support of SB 56 with the -32 and -33 amendments

The Oregon SunGrowers Guild is the leading trade association representing outdoor cannabis producers in Oregon who advocate for ecologically sound SunGrown cultivation, the medical patients they serve and all Oregonians who benefit from clean and safe cannabis. We believe that sustainable SunGrown agricultural methods produce a superior holistic product for medical patients as well as recreational cannabis users. The Guild has a diverse membership ranging from very small medical-only growers to large outdoor Tier II licensed recreational producers. It's also worth noting that we have many medical grower members that are very interested in, and are presently preparing to move into, OLCC's micro canopy program and are looking forward to working with the OLCC. We appreciate the important work this committee is doing to ensure the vitality of both the medical and recreational systems in this developing new landscape for cannabis.

The -33 amendments address a multitude of issues, but principally for the Guild, they resolve an unintended consequence with the passage of SB 1057 which recently went into effect.

Because was passed and signed into law by the Governor with an emergency clause on May 30th, the immature plant counts for medical gardens have been reduced to 12 per card.

Before this change, medical growers who were preparing to transition into recreational license status were using the unlimited immature plant count to prepare for planting under OLCC canopy limits. As they transition to OLCC license they submit a transfer request to OHA via OLCC to bring their medical plants into the METRC system. Section 10 of the -33 amendments includes a "fix" for those producers who are straddling both world so that they can remain legal and compliant during their transition as they await OLCC licensure. Importantly, the -33 amendments also have an emergency clause and can move expeditiously to correct the discrepancy in law.

The -32 amendments also address a negative consequence of SB 1057 which is deeply concerning to both patients and medical growers. The mandate that thousands of growers enter seed-to-sale tracking through METRC imposes a significant new cost burden for growsites which is not mitigated in any way by the bill. On top of that new cost, OHA may impose a new fee on medical growsites intended to pay for the department's administrative costs associated with enforcing the mandate. This means that many patients and growers will take a double

financial hit in order undergo increased surveillance. Roughly 40% of patients in the OMMP are low income and qualify for reduced fee medical cards, so an additional \$200 or greater fee could be devastating to their budgets. The -32 amendment places limits on the fee and delays its implantation date until 2020 while shifting some of the cost responsibility to licensees under the OLCC, where the METRC tracking system is housed.

We believe this is a reasonable and compassionate approach that would allow patients and growers to adjust to the new mandate and help prevent potentially thousands of low income patients from losing access to their medicine, and would urge the committee to adopt the -32 amendments to SB 56, as well as the -33 amendments.

Thank you for your time and consideration.