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agriculture and strengthen our communities.*

**Ohio Farm Bureau Federation
Proponent Testimony on Senate Bill 57
Before the House Agriculture and Rural Development Committee
Tony Seegers, Director of State Policy
May 6, 2019**

Chairman Koehler, Vice Chair Smith, Ranking Member Brent, and members of the House Agriculture and Rural Development Committee, on behalf of the Ohio Farm Bureau Federation and its members, thank you for the opportunity to present proponent testimony on Senate Bill 57, the hemp legalization bill.

With passage of the Farm Bill, hemp is now allowed to be grown and processed if done in accordance with the federal law. Federal law allows two paths in this regard; a state can establish its own program that then has to be approved by the United States Department of Agriculture before implementation, or the USDA can establish a program for a state. SB 57 establishes a program that follows the federal requirements for a hemp program by establishing a hemp cultivator license and procedures for the issuance and enforcement of such a license. Obviously, a state run program is preferable to one run by the federal government.

As you know, Farm Bureau is truly a grass roots organization. During our annual meeting in December, our members voted on policy supporting the legalization of industrial hemp in Ohio. I can tell you first hand, farmers are excited at the opportunity to again grow hemp legally in our state. For several weeks after the Farm Bill's passage, I received calls from eager members inquiring about when they would be able to begin hemp cultivation. Rest assured, there is an interest from farmers. While I do not have estimates, it is believed that hemp cultivation and production will benefit Ohio's farm economy and the economy overall.

I would like to address some items that arose during testimony in the Senate. The first is the enforcement mechanism in the bill. From my understanding, there has been some discussion that there should not be a background check requirement. However, section 297B of the Farm Bill specifically requires any state plan's enforcement process to strictly adhere to the process set forth in section 297B(e)(1), which states, "A violation of a State...plan approved under subsection (b) shall be subject to enforcement *solely in accordance with this subsection*". (Emphasis added.) Section 297B(e)(3)(B) prohibits "any person convicted of a felony relating to a controlled substance under State or Federal law before, on, or after the date of enactment of this subtitle shall be ineligible, during the 10-year period following the date of a conviction" to participate in a hemp program. The Farm Bill mandates that the state submits information on each hemp producer and the status of their license. See Sec. 297B(a)(2)(A)(vi) and 297(C)(d)(2) of the Farm Bill. Therefore, there is no way to modify or eliminate the requirement for background checks.



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Second, we believe the deliberate approach for ODA rule making under the bill is the right one. While we want to allow farmers to grow hemp as soon as possible, we do not want to rush establishing this program so hemp could be planted this year only to run into problems with USDA approval of our state's plan. Such problems with approval would only delay our program longer than necessary.

Third, we understand there has been discussion about limiting the number of acres a farmer with a cultivator license can plant. The reason given for this limitation is to allow small farms to compete with large "corporate" farms. Farm Bureau opposes this limitation. We currently do not limit the number of acres for other crops and we do not want to start with hemp. Further, farmers of *any* size can utilize the corporate structure afforded under the laws of the state. You don't have to be a "large" farm to be incorporated or a partnership or a LLC. Additionally, restricting the number of acres may actually impede development of a hemp market in Ohio.

Finally, on behalf of our members I'd like to thank the sponsors of the bill, Senator Huffman and former Senator Hill, as well as the work done by the U.S. Hemp Roundtable in bringing hemp legalization one step closer to a reality in Ohio.

Thank you again Mr. Chairman and members of the committee for this opportunity to testify today in support of SB 57. I will be happy to answer any questions.