



OHIO WHOLESALE MARKETERS ASSOCIATION

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Testimony on Senate Bill 57
Beth Wymer, Executive Director
Senate Agriculture and Natural Resources Committee
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Chairman Hoagland, Vice Chairman Hill, Ranking Member O'Brien and members of the Senate Agriculture and Natural Resources Committee, thank you for the opportunity to share the Ohio Wholesale Marketers Association's support for Senate Bill 57, to decriminalize hemp and hemp products in Ohio.

OWMA's core membership is wholesalers who supply products to convenience stores, mom-n-pop corner stores and similar retailers in Ohio and the Midwest region. Their product mix includes foods, drinks [non-alcoholic], dry goods, tobacco, seasonal and miscellaneous merchandise.

CBD oils from hemp have been sold in health food stores for many years, although it seems fairly recent that the products have been stocked in more mainstream stores. As I'm sure you know, last August the Ohio Board of Pharmacy issued a notice stating that Ohio's definition of marijuana in the Medical Marijuana Law does not differentiate between CBD derived from marijuana and CBD derived from hemp. As a result, hemp is considered marijuana in Ohio so CBD oil from hemp cannot be distributed or sold to consumers outside of the medical marijuana system.

Assuming that some of my wholesalers may have retail accounts that carry hemp derived CBD oils, I sent the Board of Pharmacy notice to my membership to keep them informed. What I found out was 1. there were members in my association who had been looking into adding hemp CBD oil to their inventory because their retail customers were asking for it; and 2. some of my members already had anywhere from \$5,000 to \$23,000 of inventory in their warehouses that they could no longer sell. Because retailers would have to pull the product, they were bracing for returns of \$2,000 to more than \$30,000 that they would have to refund to the retailers. Some wholesalers reported that their suppliers would take returns from them but some suppliers also did not have return guarantees to wholesalers so the wholesalers would have to take it as a loss.

In addition, if the wholesaler was located in Ohio but also sold into states where the products are legal, like Indiana and Kentucky, the Board of Pharmacy advised that they couldn't even sell it into those states without the sale being interstate trafficking.

As part of the broader purpose of creating a hemp cultivation program in Ohio, Senate Bill 57 creates a definition of hemp that is consistent with the federal definition of hemp, and specifically excludes hemp from the definition of medical marijuana in Ohio's medical marijuana law. By doing this, Ohio's wholesalers can bring hemp CBD oil back into their warehouses and sell it to retailers in Ohio and other states where the products are legal.

Senator Hill and Senator Huffman, thank you for introducing this legislation and thank you Mr. Chairman for the opportunity to share my association's support.