

**Chairman Thomas, Vice Chair Matthews, Ranking Member Isaacsohn, and members of the Ohio House Judiciary Committee:**

Thank you for the opportunity to submit written testimony to express my strong opposition to the hemp provisions in SB 56. My name is Jim Higdon, and I'm the co-founder of Cornbread Hemp, a family-owned hemp company based in Kentucky. We make federally legal, USDA organic hemp products and ship direct-to-consumer across the country—including to thousands of customers in Ohio. We also partner with dozens of Ohio retailers, including Fresh Thyme Markets and independent natural health stores, who serve adult customers seeking natural, low-dose wellness options.

Because of these existing relationships with Ohio businesses, I oppose the plan described in SB 56 to force all hemp products into the state's marijuana dispensary system. On the surface, this may look like a regulatory fix. But in legal reality, it amounts to a protectionist ban—and therefore likely violates the dormant Commerce Clause of the U.S. Constitution.

Here's how SB 56 violates the Constitution:

Ohio's marijuana dispensaries are required to sell only products made in Ohio. That's because marijuana remains federally illegal, so every state with a legal marijuana program has to run a closed-loop system. Products are made and sold all within state borders, with no interstate commerce allowed.

But hemp is different. Hemp is legal federally under the 2018 Farm Bill. And because it's federally legal, it's protected by the dormant Commerce Clause—a constitutional doctrine that prohibits states from enacting laws that favor in-state businesses over out-of-state competitors.

By forcing all hemp products into Ohio's dispensary system, the state would be creating a situation where only Ohio-made hemp products could legally be sold—because dispensaries can't sell out-of-state products under current marijuana law. That's the exact kind of in-state economic protectionism the Supreme Court struck down in *Granholm v. Heald*—where New York and Michigan tried to protect in-state wine producers by limiting access to out-of-state wineries. The Court ruled that this regulatory model was unconstitutional.

Under SB 56, companies like Cornbread Hemp would be effectively locked out of the Ohio market because we don't manufacture in Ohio. That's unconstitutional.

At Cornbread Hemp, we support strong regulation: licensing, lab testing, age gating, and truth in labeling. But we oppose unconstitutional trade barriers that deny Ohioans access to safe, federally legal products. And we oppose policies that punish out-of-state companies simply for being out-of-state. Passing this bill would only invite expensive litigation that the state is likely to lose.