

Testimony of President Joe Logan Ohio Farmers Union Before the House Agriculture and Rural Development Committee April 30, 2019

Chairman Koehler, Vice Chairman Smith, Ranking Member Brent and members of the Committee, I am Joe Logan, president of the Ohio Farmers Union, a family farm-oriented agricultural interest group here in Ohio. We have nearly 4,000 members throughout Ohio.

We appreciate the opportunity to present our "Interested Party" testimony regarding Ohio's efforts to decriminalize the production, processing and marketing of industrial hemp. We strongly support this principle and look forward to working with this legislature and the Ohio Department of Agriculture to see this process to completion.

As some of you may know, the Ohio Farmers Union has advocated for this policy for several decades, based on our long-standing belief that the plant and derived products are benign and have a wide variety of useful applications. As each of you may also know, Ohio's farmers have been suffering under horrible market circumstances for the major commodities produced by most farmers. USDA reports that average net farm incomes have fallen by 49% since 2013. Those income decreases have been primarily driven by a combination of over- supply but have been exacerbated by recent market interruptions resulting from trade disputes.

We strongly believe that Ohio farmers can benefit from the opportunity to diversify into new crops, such as hemp. We also believe that entrepreneurs can benefit from a rapidly-growing market demand for many hemp-derived compounds.

We appreciate the Ohio Senate's prompt action on SB57 earlier this year, as well as this committee's prompt action to push this issue forward. Having reviewed the text of the sub bill, we are supportive of the vast majority of the proposed language. We believe that SB57 will effectively accomplish the decriminalization of hemp, as permitted by the 2018 Farm Bill, and can open the door for Ohioans to participate in a growing market for hemp-derived products.

Our only concern with the bill language is the marketing program language, included in section 924.212. We believe that a statutory mandate for a hemp marketing program is not needed, as current market demand dramatically exceeds supply.

Farmers have a wealth of experience with commodity marketing programs, as they exist for most of the commodities that farmers produce. We acknowledge that such programs can be useful in times where supplies are excessive and research languishes.

Neither of these factors is the case for hemp.

Our decades of experience with commodity marketing programs has led us to another concern—that such programs are nearly always funded by farmers and that benefits normally accrue to the corporations that process and sell the products.

It should be noted that some major commodity marketing programs have used funding derived from U.S. producers to oppose federal legislation that would benefit farmers but that was strongly opposed by the nation's largest processing corporation, even despite that the corporation was foreign owned.

In short, the Ohio Farmers Union strongly supports the decriminalization of hemp and look forward to working with the legislature and state agencies to accomplish this goal. However, we do not believe it is useful for the Ohio House to create an unnecessary bureaucratic body in a hemp marketing program.

Should this body see fit to delete section 924.212 from the sub bill, we would be enthusiastic supporters.

Thank you for the opportunity to present our views. I would be happy to try to answer any questions the committee may have.