

**House Government Oversight Committee  
Interested Party Testimony (Written) on Senate Bill 261  
Ohio Clean Leaf, LLC  
Robert Landis, Owner  
March 24, 2022**

Chairman Wilkin, Vice Chair White, Ranking Member Brown and Members of the Committee, thank you for the opportunity to provide written testimony on Senate Bill 261. My name is Robert Landis and I am the owner of Ohio Clean Leaf, LLC, a family business that specializes in cultivating medical marijuana located in Dayton, Ohio. I am part of the fifth generation of farmers in my family. In addition to my cultivating and farming experience, I am also the owner of Ag Container Transport, a trucking and logistics business, and Outerbelt Brewing, a craft brewery located in Carroll, Ohio.

I write to express support for the update of Ohio's Medical Marijuana Program (OMMP), but also to express concern with the current version of SB 261 as passed by the Ohio Senate. The medical marijuana landscape has changed dramatically since the program's inception and modifications to current law will better serve and help treat eligible Ohioans for their various ailments. There are some good components included in SB 261, but as a whole, the legislation codifies the oligopolistic evolution of the square footage requirements to the severe disadvantage of Level II craft growers like me.

A common request that you will hear from our collective coalition of Level II craft growers is simple – allow us to grow our businesses and compete in the marketplace. At the outset, the OMMP by rule, established 12 Level I licenses and 12 Level II licenses. Given those parameters, we made the decision to apply for a Level II license believing that we could compete in the marketplace by emphasizing quality over quantity. However, the award of 10 additional Level I licenses through the litigation process has changed the dynamics of the industry. Hindsight is 20/20, but if we would have known that there would be an additional 10 Level I licenses awarded, we would have applied for a Level I license. It is worth noting that all the additional licenses awarded to these 10 additional Level I cultivators scored lower than Ohio Clean Leaf on the initial application process. Yet my business, that has proven it can meet the regulatory requirements to grow medical marijuana, is not permitted to compete on an even square footage basis with a company that was initially denied a license by OMMP.

As you are likely aware by now, Level I cultivators are permitted 25,000 square feet, while Level II cultivators are permitted 3,000 square feet. In order to achieve the same amount of square footage that became available due to the award of additional Level I licenses (250,000 square feet) there would have to be an additional award of 83 Level II licenses (249,000 square feet). I point this out to illustrate how the rules of the game have changed and that is precisely why we are requesting the ability to automatically increase to 20,000 square feet at a minimum. Ideally, we believe that the market should decide growth and not arbitrary caps or limitations that essentially embed an oligopoly in Ohio's medical marijuana industry.

Craft growers similarly situated to Ohio Clean Leaf are limited to 3,000 square feet with the ability to expand only after going through an approval process at the Ohio Department of Commerce. To help solve this supply and demand problem, we support the ability to expand our businesses by increasing our square footage. Again, our recommendation is to create a statutory framework that would increase our ability to initially expand up to 20,000 square feet. We also support the ability to expand up to 50,000 square feet, but only after meeting all licensure requirements, paying all the appropriate fees, and importantly, the number of patients seeking medical marijuana necessitates expansion in the industry.

Patient demand for medical marijuana continues to increase, but unfortunately, many craft growers like myself are not able to meet patient demand because of square footage limitations. Many more Ohioans are eligible for medical marijuana than initially anticipated when the program was created over five years ago in 2016. I consistently receive calls from patients seeking our particular brand. Patients often find a brand or strain that works best for them. Because of the artificial caps on square footage, businesses like mine are not able to grow enough medical marijuana to supply patients with their preferred brand or strain.

If the OMMP is not functioning correctly, the next logical step is for patients to seek other options including the black market or perhaps support of the adult use initiative on the November 2022 ballot. This committee has the ability to modify the legislation to help fix the supply and quality issue, which in turn would drive down price and stave off the ill-conceived initiated statute language.

Mr. Chairman and Members of the Committee, I appreciate this opportunity to engage with you in our meetings and to provide testimony here on Senate Bill 261. I know some Members of the Committee have toured Ohio Clean Leaf and we extend this opportunity to all of you as your schedules permit.