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Chairman Edwards, Vice Chair LaRe, Ranking Member Sweeney, and members of the House Finance Committee. Thank you for allowing my proponents testimony today for House Bill 354 of the 135th General Assembly, which would make changes to the adult-use cannabis law passed by Issue 2.

We have heard a lot of comments from many other licensees, but not much from the Dispensary licensees. It seems like everyone is asking for additional licenses. Processors are asking for grow and dispensary licenses and growers are asking for retail and processing licenses. It would only be equitable, if this is the route this honorable body is taking, to grant existing dispensary licenses grow and processor licenses as well.

Everyone's concerns are valid. With respect to existing processors, granting them grow licenses will not save the processor licenses. The initial supply/demand curves in the wholesale markets affected by the retail markets will create a situation where wholesale product from grows will naturally receive quicker and better ROI being transferred to existing dispensaries than to processors. Unless this body allows for outdoor grows, the way Michigan and many other states have, long term B2B cannabis of the quality and price sufficient for processing will simply not exist.

I urge you to either allow all existing licensees to vertically integrated, by granting them the licenses they don't have, while allowing a new RFA for outdoor grows, or to not grant any existing licensees any additional licenses, for the betterment of the adult-use cannabis program.

Thank you for your time and consideration on this matter. I am happy to answer any questions you may have.