

Ohio Senate
General Government Committee
May 10, 2023
Opponent Testimony on Senate Bill 9

Good afternoon, Chairman Rulli, Vice Chair Schuring, Ranking Member DeMora and members of the Senate General Government Committee. My name is Peggy Hollenback, I am an owner and operator of BeneLeaves, an independent processor in Ohio's Medical Marijuana Control Program. I appreciate the work of Senators Schuring and Huffman to improve the Medical Marijuana Control Program with the introduction of Senate Bill 9, but unfortunately I testify before you today as an opponent to the bill with grave concerns regarding the revisions to the Bill which will do more harm than good to the program.

BeneLeaves is a minority, family/friend owned Ohio Medical Marijuana processor and we are proud to be part of the Ohio Medical Marijuana Program. We manufacture medicines at our facility in Columbus that are produced with cannabis purchased from Ohio cultivators, sold to Ohio dispensaries for the Ohio Medical Marijuana patients. We have neither a cultivation license nor a dispensary license, and as a stand-alone processor employ nearly 40 Ohioans.

BeneLeaves has been operational since 2019, manufacturing a suite of medical products, yet we have not grown one cannabis plant. What we have worked very hard to cultivate is relationships with the cultivators in Ohio. We have never been faced with a dearth of cannabis, are contacted weekly by growers, market forces have pushed costs down, and supply and quality remain consistently high. BeneLeaves wholesale costs to dispensaries have dropped markedly in the pass 2 years, yet my COGS have and continue to increase, and the annual State license fee remain very high.

I applied to be a stand-alone processor, with no expectation that there would be exponential expansion, yet this Bill provides expansion at no cost, with no application process, no qualifying parameters for licensure. BeneLeaves does not stand to gain any gifted, additional license, placing us at a competitive disadvantage, disrupting market forces, and exacerbating an already over-supplied market. If BeneLeaves was given a no cost, no application, no qualifying parameters cultivation license, I would mothball it until there was a greater ROI- either due to an increase in the number of medical patients or activate it if there

were drastic changes in Ohio's cannabis space. The giveaway of licenses would also coincide in this Bill with the dismantling of the Commerce department, its staff and their institutional knowledge and experience, transitioning the oversight to a commission: reinvention of the program, not a program correction.

It appears that the revisions are primarily focused on reconfiguring the program by rewarding and expanding operators-cultivators and processors, not correcting what is onerous for operators and most importantly, patients. There are pluses in the Bill for patients: addition of qualifying conditions; card expiration after 3, not 1 year; reduction of card cost. However, the revisions would impose hinderances for the patient outweighing the pluses: banning communications through social media; lowering the THC level to 30%. By lowering the THC levels, the efficacy of the patients' medicine will be diminished, the quality of medicine produced will decline, forcing operators to include the addition of a panoply of fillers/cutting agents, resulting in patients seeking, driving to find their medicine elsewhere.

The program is 6+ years old, and a corrections Bill is most welcome. BeneLeaves foundation has been, and always will be patient focused. The Ohio Medical Marijuana patient should be gifted, rewarded with a corrected program and Operators- cultivators, processors, dispensaries- welcome corrections, not a construction of an entire new foundation without purpose or benefit for patients and operators.

Now is an opportunity to address and correct how medical marijuana is accessed and how the Medical Marijuana Program operates, and could operate better, in Ohio. Now is the time for corrections to provide greater patient access, increase the number of patients, not licenses, and strengthen the existing program.

Again, thank you for the opportunity to testify before you today. At this time, I would be happy to answer any questions you or the committee may have.