

Good morning, thank you for allowing me to comment on S-188

I see S – 188 as an essential bill for Vermont farmers to be able to capitalize on the adult use cannabis market. Growing plants is an agricultural practice and cannabis is a plant. I can understand it being considered commercial if you're building a warehouse inside town or city limits but it is certainly not commercial if you're doing it as part of your farming practice whether outdoors on your farm or inside your farm buildings. As a veteran hemp grower and processor I would like to outline a few areas of the bill that I believe need changes.

In my hemp business I have a grow room inside my barn where I start all of the seedlings under lights. Feminized hemp seeds cost around a dollar each and feminized adult use cannabis seeds can be as much as \$10-\$15 each. In the grow room we are able to give the seeds the exact temperature, humidity and light they need to capitalize on it as many of these expensive seeds as we can. Temperature fluctuations and other fluctuations in the conditions can cause these expensive seeds not to germinate. When the seedlings are a few days old and all of the seeds have had an opportunity to germinate the plants are moved into my attached greenhouse. Here in the greenhouse they will spend approximately 6 to 8 weeks before they are ready to transplant into the fields. It is essential to get the plants to a point where they're large enough so that they cannot easily be destroyed by bugs and other pests. It is still a challenge even with your starters between six and 12 inches tall. I have lost starters to slugs, Rabbits, woodchucks, turkeys, deer, raccoons and other pest. At this point when you have placed the starters into your fields you have a substantial amount of time and money into them.

In subsection 870, (a) my suggestion would be to add the word [grow] in line 12 along with the words dry and process.

- (a) When a licensed small cultivator cultivate cannabis outdoors on a parcel of land subject to the required agricultural practices, the land used for the cultivation of cannabis and the farm buildings used to grow, dry or process that cannabis shall:

As a hemp farmer we offer tours of our hemp fields and facility to educate people and show them every aspect of our hemp derived products. We are also allowed to offer sales of our products on our farm. We tell individuals who want to use hemp derived products that they should know their Farmer as all farmers are not the same and people deserve to know how their cannabis is grown. It may be too big a project to put into this bill but I would appreciate the committee considering allowing on farm sales of adult use cannabis even if it starts out as a very limited opportunity. As we know in other types of farming the people that are selling commodity farm products are barely making it whether it is milk or other agricultural products the only way for a farmer to actually make money is to be able to sell the value added product without the cost of processors, distributors and retail markets. I would suggest as a place to start is to give the ability for farmers to have one special event per month where they are allowed to have sales on the Farm. Another suggestion would be to allow farmers to apply for a special event permit where they can sell products on farm a certain number of times per year.

Outdoor growing should be encouraged as indoor growing is energy intensive. That said the experience in Maine has been that the outdoor adult use cannabis prices have dropped to around \$400 a pound when at the same time the indoor grown is around \$2000 a pound. This puts those who can only grow outdoors at a severe disadvantage. This is why allowing farmers too grow indoors in the cold season is essential for them to be able to make a living. Adult use cannabis has the potential to

help many farmers stay in farming. But this potential will only be realized if it is considered farming as no farmer wants to put their farm under the regulation of act 250.

If we truly want farmers and other small cultivators to make it in the market we have to be extremely aware of overregulation and adding to the cost burden of getting set up. I already have a building which I intend to use which is an advantage that many people who want to be small growers do not have. The cost of outfit for lights, wiring, air handling and other equipment is between \$80-\$100,000 for my project and this is not using the high-end lights. A good mid range LED grow light is between six and \$800 to cover a 4' x 4' area. It will take 62 of these lights to cover 1000 ft.<sup>2</sup>. At \$700 each the lights alone will cost \$43,750. Some of the height and LED lights are closer to \$2000 apiece. If you went with these more expensive lights it would put the cost of lights alone at \$124,000.

While I am here I would like to make several other suggestions for issues that the committee should look into though I do not believe they will fit into this Bill I am in hopes that you can find another bill that they will fit into.

(1) I believe the definition of Farmer needs to be changed. I am a farmer and I put what most people would consider a full work week into the farm every week. Sometimes during the summer it can equal two full work weeks. The farm income cannot keep up with the mortgage and all the other expenses. On top of running the farm I run several different businesses including my bread-and-butter business which is stonework and excavation. My wife is a full-time registered nurse and does all of the bookwork for our other businesses along with all of the shipping for the hemp business. My son is a full-time engineer at Weidmann in Saint Johnsbury and also helps us here on the farm. We are often all putting in 100 hour weeks to keep up with our regular job and the farm but we are not considered farmers because the farm does not generate 50% of our income. If I had a trust fund I would be able to be a farmer. We have a substantial debt and do not want to borrow any more money to continue to convert the farmland into more profitable crops and fix the infrastructure that has not been properly maintained. Because of the immense amount of money it cost to keep up with the farm and make these conversions and improvements we have to keep our other jobs.

(2) The hemp program needs to be moved so that it is under the CCB. With the new USDA and FDA regulations small hemp farmers will be crushed. The amount of testing and the way in which the USDA has prescribed hemp testing to be carried out will eliminate our best cultivars. They're testing requires that the test is performed on the top 5 inches of the top flower which is our most profitable piece of the plant. It is also the most potent part of the plant and will cause us to stop growing our best and most profitable strains as the top of the high CBD plants is generally over the .3% THC allowed under the federal guidelines. Currently there is very little profit in growing Hemp and the new USDA guidelines seem to be trying to force the small growers out and allow the big guys to take over the entire market. If allowed to continue under the federal guidelines big Pharma and other giant corporations will take over the hemp industry as the small growers will not be able to afford to stay in compliance with all The new rules.

I would like to thank the committee for their thoughtful consideration on this bill and my comments. I appreciate all that this committee does for agriculture and the rural communities. Vermont will not be Vermont without a healthy farm community.

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