

To the Ag and Veterans Committee of the Senate.

In Opposition to SB2096:

In 2021 hemp farmers and producers including our members were shut out of our market with a bill that effectively banned the manufacture of hemp extracts. Now 2 years later the North Dakota Ag Department would like to make the sales of many hemp extract products illegal.

This bill claims that it will make North Dakota hemp policy more in line with their original vision of selling hemp fiber products and mass producing them. While we feel a Wild West Approach shouldn't be used, we fear that cutting out another market for hemp completely will have the opposite effect of making our hemp industry look even less friendly to potential investors while losing revenue to neighboring states in sales.

Presently, hemp farmers have two options of places/markets to sell raw hemp: 1. Extract or cannabinoid market, or 2. Fiber/building material market. Presently, the fiber/building material market is much less developed than the extract or cannabinoid market. This bill further eliminates the federally legal extract/cannabinoid market for hemp.

By further making the hemp extract/cannabinoid market illegal, the impact will be that investors will go elsewhere and farmers will not have the economic incentives that exist for farmers in neighboring states like Minnesota or Montana. We believe that this could be better done through a regulated market surrounding hemp extract/cannabinoids, rather than making the entire market illegal. It is our belief that with proper regulation and all markets available to hemp farmers in ND, we are more likely to foster a long term successful hemp industry. The result of actions like this law and the previous law in 2021 have absolutely had the impact of forcing hemp producers to move their businesses to neighboring states.

Please Vote No on this bill or consider supporting more regulation of the industry as an alternative. Eliminating potential markets for farmers is not the answer.