

House Bill 2182 Testimony

My name is Josh Rabe. My wife Melissa and I own Loveland Hemp Company LLC., based in Loveland Colorado. Our company is focused on the industrial hemp stalk as a value-added material in the developing construction, animal bedding, rope, twine and cordage markets.

I grew up in Topeka, Kansas and graduated from Washburn University. My wife and I moved to Colorado ten years ago in search of increased economic opportunity. Over the course of these ten years we have seen Colorado grow rapidly. I began developing construction materials with industrial hemp imported from Canada four years ago. In August of 2014 we left our careers and started Loveland Hemp Company. We built Colorado's first house out of industrial hemp receiving a certificate of occupancy in November of 2015. Our company has shifted its focus to first line processing called decortication. This process cleanly separates the bast fiber or outer fibers from the hurd or inner, woody-like material. This process was used in WWII when hemp was grown only for the fiber in rope, twine and cordage. The fiber consisting of 15% of the hemp stalk is primarily composed of lignin. The hurd containing the remaining 85% of the stalk is primarily composed of cellulose. Both have large scale industrial applications. Our goal is to provide these raw materials to second line processing that then refines the raw material to manufactures specificities. We currently have letters of intent and material specifications for these two raw materials from construction companies, animal bedding distributors, non-woven composite manufacturers and paper manufacturers. Our company will begin providing this secondary value added material starting in March of 2017. This year we will only be able to supply 10% of the current demand we have received for these materials. In 2018 Colorado is expected to triple the amount of industrial hemp being grown. Our company currently has relationships with individual farms and cooperatives in Colorado, Kentucky, North Carolina and Texas. It is our great hope that we can build these same relationships in Kansas to create a network of economic development. Our company and many others in the industrial hemp industry have increased their capacity as more industrial hemp is being grown and the market of scale allows for increased investments in the overall infrastructure for processing and distribution. It is our goal in the next three years to have an established vertically integrated agricultural supply chain providing jobs in the farming, processing, distribution and manufacturing sectors.

I strongly encourage this assembly for their consideration of industrial hemp legislation House Bill 2182. The opportunity for economic growth, local employment and product development in the food, fuel, fiber industries is now. I thank you for your consideration.

Josh Rabe

Loveland Hemp Company LLC.

4201 Sage Place

Loveland, Colorado 80537

970-215-4359