

Neutral Testimony of Joe Bisogno, KMC Brands
Regarding House Bill 2173
Before the House Agriculture Committee
February 13, 2019

Industrial Hemp Is Not Pot - But It Is A Pot Of Gold For Kansas. I've been saying that for years, and it's true, so long as we let farmers be farmers and grow legal hemp. KMC Brands, based in DeSoto, Kansas, is an industry leader in the production and processing of industrial hemp. KMC stands for "Kansas Miracle Crop."

I was a strong proponent of last year's Senate Bill 263. It was a good bill that got Kansas seriously thinking about industrial hemp and the many benefits it can bring to our farmers and to the state. Because of SB 263 KMC Brands went to work to make sure Kansas benefits from hemp.

KMC Brands already has patents, prototypes, agreements and equipment to process the hemp our farmers grow and the tools and equipment our farmers need to grow hemp. We have hemp planters, drying ovens, extrusion machines, extractors, hempcrete forms, and soon, combines, courtesy of our friends at John Deere in Olathe. All of this equipment is being built in Kansas, and creating jobs.

In January KMC opened America's Hemp Academy in DeSoto to train farmers on how to grow hemp and to train others on how to process hemp. The response has been overwhelming

We have so much opportunity with hemp, but it won't be realized if we don't change HB 2173 and our hemp rules and regulations to support our farmers. Unfortunately, HB 2173 still treats industrial hemp as a controlled substance and treats our Kansas farmers as potential criminals.

Let me first tell you what I like about HB 2173. Section 1 on pages 1 and 2 directs the state to submit an application and action plan with the USDA. This is critically important to allow Kansas farmers to begin and continue growing. I encourage the Department of Agriculture to submit this plan as soon as possible.

I suggest the bill be amended to allow the Department of Agriculture to register one or more "master processors." These master processors could be responsible for monitoring production and even testing of crops. They would be responsible for dealing

with any crops that are above the legal THC limits. A master processor could track and account for every hemp seed planted in Kansas.

Last year's SB 263 was constructed within the narrow guidelines given to states to set up research projects. The requirement for hemp to be grown under the umbrella of a research project is no longer relevant because the 2018 US Farm Bill declared industrial hemp a legal crop. Yet HB 2173 and our rules and regulations are still very restrictive.

Concerns and challenges with HB 2173 and the current rules and regulations:

- Why do our farmers need to file an application to grow hemp? That's not required when a farmer grows corn or soybeans. Industrial hemp is a legal crop.
- Why are we charging such high fees, up to \$6,000, to grow a legal crop?
- Why do our farmers need to be fingerprinted and get criminal background checks to grow a legal crop?
 - Every employee working in a hemp growing or hemp processing facility needs to be fingerprinted and have a criminal background check.
 - Each time a farm gets a new employee, the farm needs to pay a \$750 fee to update its application.
 - This applies also even when someone comes on the property to check a water meter or deliver a package.
- Each time a vehicle enters a hemp property, the farmer is supposed to write down and report the license plate number. Why? Hemp is a legal product.
- Most commercial farming production programs and neighbor farmers share equipment and cannot afford a single combine or planter. The rules and regulations do not allow hemp farmers to share equipment. Why?
- If a field is tested to be over .03% THC, the rules and regulations require that field to be burned. Why? That's severely detrimental to our farmers. Why not allow the crop to be harvested, and have the THC extracted and sold to a state like Colorado. Those proceeds could be given to the KBI or to the Dept. of Ag. The farmer could still sell the remaining non-THC crop to a processor to make a living.

The bottom line is industrial hemp is a legal product, but our laws and rules and regulations don't reflect that. In my opinion, the KBI doesn't need to have such a heavy hand in regulating and monitoring industrial hemp. We have existing laws in place that restrict marijuana. For example, it's also illegal to dump chemicals in our rivers and streams, and to have unsanitary conditions in restaurants, yet the KBI isn't involved in those areas.

It's critical that we move as quickly as possible to ensure our farmers can grow hemp this growing season. Let's be reasonable about regulations on a legal crop.

Attached to my testimony is a list of a few of the farmers that have authorized me to speak on their behalf. Let the farmers farm.

Thank you for your consideration.

Joe Bisogno | jbisogno@desotoinvestmentsllc.com | 913-583-8400

The farmers listed below are hoping that we can eliminate the many costs and rules that seem to have no bearing on a now legal crop in the USA and in Kansas. They all want to farm.

Michael Weigel, Thomas County
Sean Mengel, Thomas County
Tylon Mengel, Thomas County
Thummel farms, Thomas County
Brent Moss, Thomas County
Tanner Moss, Thomas County
Donnie Welchel, Thomas County
Bob Luck, Thomas County
Aaron Racette, Logan County
James Weigel, Decatur County
Melvin Crow, Sherman County
Chris Williamson, Thomas County
Mike Woofter, Thomas County
Quade Woofter, Thomas County
Cris Koerperich, Thomas County
Dave McCarty, Thomas County
Rusty Baker, Montgomery County
Doug Laforge, Montgomery County
Eddie Karleskint, Bourbon County
Tony Karleskint, Bourbon County
Geoff Southwell, Bourbon County
Gary Herrin, Bourbon County
Shana and Mike Emerson, Bourbon County
Bart Hall. Johnson County
Joe Bisogno Johnson County
Scott Shane, Johnson County
Doug Shane Miami County
Ross Bauer Johnson County
Jerry Kaplan Lynn County
Tuffy Mayor Johnson county
Ethan Hart Bourbon county
Bob Parker Johnson County
Gary Regan Bourbon County

Bob Hiatt, Reno County
Sara Hiatt, Reno County
David Stroberg, Reno County
Scott Stroberg, Reno County
Nate Hiatt, Reno County
Bailey Gorges, Reno County
Paul Gorges, Reno County
April Gorges, Reno County
Chance Gorges, Reno County
Bryan Lankford, Reno County
Stacey Lankford, Reno County
Tanner Lankford, Reno County
Lauren Hiatt, Reno County
Hunter Brunson, Reno County
Andy Clark, Reno County
Craig Knoche, Reno County
Jesse Lillihorn, Reno County
Troy Thode, Reno County
Troy Brunson, Reno County
Dixie Brunson, Reno County
Lannie Lankford, Reno County
Leo Miller, Reno County
Rocky Gagnebin, Reno County
Joe Hedrick, Reno County
Aryn Hedrick, Reno County
Josh Miller, Reno County
Loren Alderson, Reno County
Rose Alderson, Reno County
Brent Engelland, Reno County
Jodi Engelland, Reno County
Jay Mitzner, Reno County
Jodi Mitzner, Reno County
Jerry Lankford, McPherson County
Matt Richards, Neosho County

Austin Richards, Neosho County
Spenser Kepley, Neosho County
Mike Kepley, Neosho County
Cody Moyer, Neosho County
Randy Moyer, Neosho County
Brian Bell, Neosho County
Hunter Hudson, Neosho County
Triplett's Farm, Neosho County
Gerald Henry, Neosho County
Wendal Brant, Neosho County
Robert John, Neosho County
Troike's Farm, Neosho County
Veets Farm, Neosho County
Oplotknic's Farm, Neosho County
Bill Casey, Neosho County
Mark Blackburn, Neosho County
Dan Vitt, Neosho County
Dan McMillan, Neosho County
Austin Braman, Neosho County
Bob Kepley, Neosho County
Etan Kepley, Neosho County
Connor Stirewalt, Neosho County
Whitaker's Farm, Neosho County
Dan Daniels, Neosho County
Stitch's Farm, Neosho County
Bob Hiatt Jr, Bourbon County
Terry Taylor, Saline County
Jared Hiatt Saline County
Ed Engelland, Rice County
Melissa Bayless, Rice County
Doug Engelland, Rice County
Dave Turner, Stafford County
Greg Sederstrom, Sherman County
Amy Sederstrom, Sherman County
Blaine Sederstrom, Sherman County
Robert Gabriel Sr., Eudora
Bobby Gabriel, Eudora
Jim Gabriel, Eudora
Jay Grisafe, Eudora

Roy Barnes, Lawrence
Brétt Williams Stars, Pittsburg
Mike Williams. Eudora
Mark Gabriel, Eudora
Hal Ruesch, Eudora
Brian Fuller, Lawrence
Cory England, Eudora
David Lecuyer, Eudora
Michelle Gabriel, Eudora
Mark Brown, Baldwin City
Steve Crane, Lawrence
Clint Homberger, Baldwin City
Ashley Hornberger, Baldwin City
Ryan Lister, Baldwin City
Scott Thellman, Juniper Hill Farms,
Lawrence
George Hunsinger, Lawrence
Cheryl Hunsinger, Lawrence
Stacy Lister, Lawrence
Dr. Máriyin Colgan, Lawrence
Ben Eaton, Eudora
Dawn Banes, Lawrence
Dan Lecuyer, Eudora
Amanda England, Eudora
Lauren Gabriel, Eudora
Mary Jo Wakeman, Topeka
Tyler Lynn, Edgerton
Alan Martinec, Rossville
Beacker Family Farms, Edgerton
Jensen Family Farm, Olathe