

**Testimony in Opposition to SB 555  
to the Senate Committee on Federal and State Affairs  
by Kelsey Olson, Deputy Secretary  
Kansas Department of Agriculture  
March 28, 2024**

Good morning, Chairman Thompson and members of the committee. My name is Kelsey Olson and I serve as the Deputy Secretary for the Kansas Department of Agriculture.

I appreciate the opportunity to testify in opposition to Senate Bill 555. KDA is the agency charged with administering the commercial industrial hemp plan for the State of Kansas and currently has a U.S. Department of Agriculture (USDA)-approved plan in place that allows the agency to oversee a state commercial industrial hemp program. KDA has no position on the legalization of marijuana in Kansas, medical or otherwise. However, KDA believes that some aspects of SB 555 are problematic in regard to their potential effect on KDA's commercial industrial hemp program.

SB 555 states that at least one director, manager, or officer of a business entity contracting with the secretary as a medical cannabis operator shall have had a license as a hemp producer under the commercial industrial hemp act for two years immediately prior. One of the reasons KDA opposes the bill is that it believes this requirement, in conjunction with USDA requirements that prohibit a hemp producer from growing any type of marijuana, will reduce the number of individuals who are able to participate in KDA's industrial hemp program. USDA's final rule regarding commercial industrial hemp production, (86 FR 5596 and 7 CRF 990), specifies that any industrial hemp grower who is found to be growing cannabis exceeding the legal THC level of 0.3% with a culpable mental state greater than negligence shall have their industrial hemp license immediately revoked.

In other words, medical cannabis operators will necessarily have to come from the existing pool of industrial hemp producers. But, once those individuals begin producing medical cannabis, they (and possibly anyone affiliated with their operation) could not concurrently produce industrial hemp, and it likely will not be feasible for producers to switch between hemp and marijuana production on a year-to-year basis. It is worth noting in this regard that the number of hemp producers licensed by KDA has already decreased dramatically from the first years of the program.

By requiring any approved medical cannabis operator to have previously held an industrial hemp license, SB 555 implies that growing industrial hemp qualifies someone to grow medical cannabis. Besides having very different regulatory regimes and regulatory bodies, the two plants also require a significantly different agronomic approach. For example, most Kansas hemp growers grow primarily for fiber production, and plants grown for that purpose are typically

grown outdoors. In contrast, the production of medical cannabis will likely need to be restricted to indoor facilities to ensure proper control of numerous environmental and quality factors and adequate security.

KDA has heard many times from constituents who are already confused as to the distinction between industrial hemp and marijuana, medical or otherwise, and who have expressed the opinion that hemp production should not be permitted due to the erroneous belief that it poses the same risks as illicit drugs do. KDA believes that the connection between industrial hemp and medical cannabis as contained in SB 555 only reinforces existing misconceptions in this regard and as such poses a risk to the viability of the hemp industry.

KDA would also note that SB 555 allows a medical cannabis operator to contract with a licensed hemp processor under the commercial industrial hemp act to process medical cannabis into medical cannabis products. Under the Commercial Industrial Hemp Act, hemp processors must be registered (not licensed) with the State Fire Marshal and follow the State Fire Marshal's rules and regulations regarding industrial hemp processing.

Thank you again for the opportunity to testify in opposition to SB 555. I'm happy to stand for questions at the appropriate time.