

Lizzy Hayes
Mercer
LD 1942

Dear Senator Grohoski, Representative Cloutier and members of the joint standing committee on taxation,

My name is Lizzy Hayes, I am an organic farmer, and I have been growing hemp since 2019. I am writing testimony neither for nor against LD1942. I understand and support the effort to modify or remove the adult use cannabis excise tax, which I believe is unfair. However, I do not support taxing all hemp products at a 20% sales tax rate. I participated in the intoxicating hemp work group that met during the summer of 2024. The products that I make, and products which are made from the hemp that I grow for other producers, are not intended to intoxicate and the people who purchase them are not seeking intoxicating effects. They are seeking to use these herbal, dietary supplements and herbal salves and oils to improve their health. It is important to draw a distinction between products which are made from a whole plant extraction of the plants resinous oils, for use in non-intoxicating products, versus product which are made by taking that whole plant extract and further processing it by isolating or synthesizing the compounds in it, in order to create products which are intended to have intoxicating effects.

If this committee would like to consider taxing hemp products at a higher rate due to their similarity to adult use products, I would ask that they adopt the definitions used to define potentially intoxicating hemp products in LD1920 An Act to Prohibit the Sale of Potentially Intoxicating Hemp Products to a Person Under 21 Years of Age which is currently being considered in the committee on Agriculture Conservation and Forestry. Non-intoxicating hemp products are not modified in any way to increase their ability to intoxicate, and they are products which comply with the 2018 farm bill and follow the spirit of that bill which is to allow non-intoxicating hemp to be grown under a USDA program and used to produce hemp products. These non-intoxicating hemp products should be taxed the same as other dried herbs and dietary supplement products.

Thank you for your consideration and I ask the committee not to include non-intoxicating hemp products in any proposed sales tax increases.