

Senator Hickman, Representative Supica and honorable members of the Veterans and Legal Affairs Committee:

My name is Bobbie Stormann. My husband, Matthew, and I own Just Baked, a small recreational cannabis store and manufacturing facility in Lincoln, Maine. We manufacture edibles - such as cookies, fudge, caramels, gummies, etc - for our store and currently we do not wholesale our products. All employees who work in our manufacturing kitchen are ServSafe certified. Because of current regulations, we maintain two DACF licensed kitchens in separate locations: one for AU products manufacturing and one hemp derived CBD products manufacturing. Our small business currently faces some high operating costs due to unnecessary over regulation in the AU cannabis industry, which we are trying to address with this bill.

The fully tested cannabis extract/distillate we use as an ingredient in our edibles has already had all cannabis risks mitigated. Therefore, the only additional testing we expect to perform when we manufacture edibles is Potency and Homogeneity, since the potency will change when we add food ingredients like sugar and flour. We do not expect to have to perform additional food safety tests - specifically Filth & Foreign Materials, Water Activity, Microbials - that other non-cannabis food processors, such as Hannaford, Subway, McDonalds, and Irving, do not have to perform. AU kitchens are inspected by DACF food inspectors and are often well-equipped and staffed, so there's no need to impose additional food safety tests on this one market subset. We know the shelf life of our products because we do our own in-house evaluations as part of each new product introduction. In the 3+ years we have been manufacturing AU edibles, we've never failed one of these 3 tests.

These unnecessary food safety tests are expensive and take too much time for results. We all know there is very little margin in prepared foods. Each time we make a recipe, we incur \$350 of testing costs and 5-6 days before we can package and sell the finished product. The Microbials test is the most expensive and takes the longest to complete at 72 hours. Reducing edibles testing requirements to Potency and Homogeneity would decrease our testing costs by 65%, taking them from \$350 to \$120 per batch. The lead time for results would decrease from 5 days to 2 days. Last year alone, our small manufacturing facility paid over \$16,000 in testing fees. When testing costs are reduced, manufacturers will be able to offer smaller, fresher batches of product and introduce more options for consumers.

Another area where our small business faces expensive over regulation is in the inability to co-locate our AU and hemp manufacturing kitchens. Before we entered the AU cannabis market, we started a hemp derived CBD products manufacturing company that produces dog biscuits, a topical lotion, an edible oil and gummies. Per current statute, this requires us to maintain two separate manufacturing kitchens. We'd like statutes updated to allow us to perform all of our cannabis based manufacturing (AU and hemp) in the same kitchen. This would significantly reduce our rent, prevent the need to purchase and maintain duplicate kitchen equipment, and free up some business space for rent in town.

Please consider making these two regulatory changes to allow our small business to better compete in this challenging business climate.

Written testimony for LD1488 submitted by Bobbie W. Stormann, Square One, LLC dba Just Baked