Delegate C. T. Wilson Chairman, House Economic Matters Committee House Office Building – Room 231 Annapolis, MD 21401

Chairman Wilson,

I am writing in favor of HB1067 with amendments.

My name is Ernie Beck. I reside in Cecil County with my wife and 4 children. I am a volunteer first responder and I have been in the hemp industry since its inception in 2019.

In 2019, I obtained my permit from the Maryland Department of Agriculture to grow hemp for CBD. During this first year I continued educating myself on the industry as a whole. I soon learned a vast difference between what I will refer to as therapeutic hemp, or CBD and what I call true industrial hemp, for grain and fiber. As I continued my journey in the industry, I learned of new opportunities for this plant.

In 2021, after experiencing first hand the decline of the CBD industry due to unfavorable regulations and other factors, I began focusing on "true" industrial hemp. Over the past 2 years of research and education, I have created contacts, working relationships and opportunities with not only industrial hemp farmers, but businesses who have the potential to disrupt the current way of making products.

Some of these hemp derived products include insulation, car parts, compostable plastics, bio-fuels, animal bedding, batteries and supercapacitors. In addition to manufactured products, the hemp seeds or hemp hearts, are one of nature's greatest sources of complete protein and other nutrients. All of these, as well as thousands of other products, originate from a plant that is farmed just as corn, beans and other commodity crops that Maryland farmers have been growing for hundreds of years. In addition to the environmentally friendly products produced, our greatest potential for the plant is carbon sequestration.

Once the industrial plant starts to grow, it starts sequestering carbon from the atmosphere and stores it in the soil at an estimated rate of 2-3 tons per acre. For every 1 ton of soil carbon, 3.67 tons of carbon dioxide has been removed from the atmosphere. This equates to potentially 7.5-11 tons of carbon dioxide from the atmosphere, per acre.(Lancaster Farming 2022) If our state and country are serious about being carbon neutral, we need to remove constraints on the hemp industry and let this plant do what it is capable of doing.

One of the obstacles we as an industry face is farmer buy-in. Under current regulations a farmer is required to pay an application fee in excess of \$500 for every numerical address they would plant, perform testing and risk felony charges if they were to have a crop going "hot". In 2021 it was projected that the industrial hemp industry for grain and fiber had the potential to reach \$32 Billion by 2030(<u>Hemp Benchmarks 2021</u>). If we do not have favorable legislation, the industry will continue to fall behind and never reach its potential.

With Maryland's 2,000,000 acres under farm operation (<u>USDA/NASS 2022 Report</u>), local and regional ports, railroads and highways that allow us to reach ²/₃ of the U.S. population within 24 hours (<u>Cecil County Accessibility</u>), we have the potential to become THE industry leader. I have personally spoken with and have interest from companies who want to not only do their part in providing greener alternatives, but want to bring their businesses to Maryland. One of these businesses would bring 450-550 direct jobs, 2-3 indirect jobs per direct, as well as support 5,000+ acres per facility and is 100% self-sustaining with zero waste.

The industry is positioned and ready to grow and provide jobs, healthy, non toxic and environmentally friendly products. We just need your favorable report to initiate the necessary changes to legislation that is currently holding us back. I appreciate the work you and your committee are doing and am available to answer any questions.

Respectfully Submitted.

Ernie Beck

Elkton, Maryland