

I own and operate Kancanna hemp processing in Wichita Ks. Our hemp processing business was born in 2019 when Kansas made the decision allowing for the cultivation, Processing and distribution of industrial hemp. Once we had obtained our license we made significant investment into real estate, machinery and facility upgrades so that we could be on the forefront of this new and growing industry. We understood that Kansas farmers would excel at producing this new crop and wanted to give them a solid, reputable option for processing into cbd oil or cbd products.

We currently employ seven individuals and provide them full time pay and benefits. one of those employees is a licensed compounding pharmacist. His knowledge base is very beneficial when it comes to testing for potencies and formulation of new product. Our vision is to grow our business to over 20 employees with the economic impact being well over 1 million dollars in payroll annually. However, because of certain proposed rules and regulations we are going to have a difficult time sustaining current operations, let alone growing them.

We certainly understand the need for oversight. We have had a perfect track record with the Kda over the last two years with no violations or issues. The proposed regulations pertaining to the transport of cbd concentrates is particularly detrimental to us as processors. Based upon current proposed rules I could not let cbd crude or distillate leave my facility unless it has been diluted to under the .3 percent thc threshold, even if it is going to another licensed processor. This is a very common practice in our industry as other processors have different capabilities and vice versa. There are multiple other states that allow transport of concentrated material between labs or bottling facilities with nothing more than a form that is kept on file. No other licensed lab will buy a product that has been previously diluted. This rule would significantly impair any processor in Kansas and virtually make the industry cease to exist. Why is there a need for a license and background check if it doesn't give us the ability to handle and transport these substances? In my opinion the only products that should be tested and scrutinized at this level should be end use retail products. We currently sell those as well and will never manufacture anything that breaches the thc threshold.

I feel this is a massive opportunity for Kansas farmers and businesses, however we need to have the freedom to operate in a manner that makes us competitive with other surrounding states.

Can we allow for transport of intermediate substances between labs and to out of state buyers without dilution?

Thank you for your time,

Heath Martin
President, Kancanna