

Brian Furnish Statement to the Senate Ag committee

July 25, 2019

My name is Brian Furnish, and I am an 8th generation tobacco farmer from Kentucky. In the past 7 years I've helped change hemp laws in Washington. I was the first licensed hemp grower in the United States since WW2. I was with many of you when President Trump signed the 2018 Farm bill.

I first started working with the political process with Senator McConnell back in 1999 when we first worked on the Tobacco Buyout that was finally accomplished in 2004. I was General Manager of the Burley Coop in Lexington KY and traveled all over the world selling tobacco and realized that the American tobacco farmers needed an alternative to their cash crop.

Congressman Jamie Comer, who was then the Commissioner of Agriculture in KY, asked me to help him make hemp a legal crop. That's when I started to work with Senator McConnell and you all, to make hemp legal in the US.

The 2014 Farm Bill made hemp legal in states that had a law that allowed research with the universities. At that time I received the first grower license under the 2014 farm bill. I then proceeded to try to find a partner in the hemp business. I found an Australian mate that was growing and researching hemp in Australia. Now that company has a worldwide presence and a market cap of over 1 billion dollars.

I was the first citizen chairman of the KY Hemp Commission and a founder and first president of the US Hemp Roundtable – the industry's leading national business advocacy organization that now has 80 members and serves as a leading advocate in the industry effort to make hemp legal.

My brothers and I have grown all three types of hemp, for seed, for fiber, and floral production to make CBD. Each of these hemp categories uses a different genetic and growing method.

For fiber we will plant about 50 lbs of seed per acre and grow the tall hemp, and we can grow it over 18-20 feet tall. We expect a 3 – 4 ton per acre yield and will get about \$185 per ton.

For seed we plant about 30 lbs. per acre, hoping to get a yield of 800 – 1000 pounds per acre and sell it for \$.85 per pound.

For CBD we will set about 3200 plants per acre and set or plant them in the same way as we do tobacco, one small plant at a time. We harvest the CBD by only using the flower buds and leaves. You want the short hemp for CBD because it is harvested by hand or special machines like tobacco.

The new hemp industry needs a lot of genetic research to make each of these uses profitable. As with most plants, the latitude must be consistent to get consistent production. In Kentucky

we learned early on that Canadian seed doesn't work very well. Our day and nights are too different.

Hemp seed for feminized seed needs certain periods of light and dark. so we need dark rooms for our genetics, not the green houses that are light whenever the sun comes up.

We have learned a lot over the past 5 years but the hemp industry has a long way to go before it is mainstream production agriculture. Having a certified seed program for hemp would be a huge benefit to the hemp farmers.

Now that hemp is legal we need to take a close look and remove, one by one, the barriers to success so hemp can be on the same production playing field as all the other crops. Most folks in the government and even in production agriculture probably don't know or realize that hemp has no legal pesticide or herbicide or fungicide. A grower can lose its entire crop to weeds or pests. Without an approved herbicide or pesticide we may have to pay labor between \$500 - \$2500 an acre to pull the weeds to keep our hemp crop pure and healthy. We need your help to encourage EPA and USDA to make those approvals happen.

Hemp growers have no USDA RMA crop insurance, while I know and am part of the U.S. Hemp Farming Alliance, a group involved in the efforts to make that happen, we need to keep the pressure on the creation of those necessary risk management tools, and make them readily available.

Also, without hemp processors knowing if FDA will make hemp a food or a dietary supplement, the unknown only complicates the downstream use of hemp. The current contracts for the hemp growers are all over the place. Many times the grower provides the land and labor, and the processors provide the seed and expertise. However, too often the growers are short changed when the processor can't come up with the money to pay the growers, or the specification for the final products have such varied results that both sides feel cheated and have a bad experience.

Currently there are no industry wide specifications or standards for hemp crops or products. The laboratory testing methodologies have not been standardized so that consumers can be confident of the products they are receiving. The US Hemp Authority has started the process to made hemp and hemp products consistently safe with their Guidance Program but the need for laboratory consistency is real and immediate

The labor necessary to successfully plant and harvest hemp is much the same as tobacco. That's why hemp is and can be a great replacement for the dwindling tobacco production. But, hemp, as with tobacco, is very labor intensive. In the 5 years we have been growing hemp we have found that using the same seed-to-plant process in the greenhouse or dark house in the case of hemp, and then planting the plant in the field as we do with tobacco, is the most productive method. Just last week we had three planters going and it took 23 workers on the planter plus 8 people including myself to keep the planting process going. Over 20 of those workers were our H2A help. We need revisions to the H2A program so our valued labor supply can be maintained.

In closing, I have been for better or worse a farmer face of the hemp grower in the effort to finally make it legal here in the United States. I thank you for making this wonderful crop legal. But now what the hemp growers need and want is for this new and valuable crop to be just that, a crop, with the same opportunities to grow and fill the marketplace with new and valued products. Corn, wheat and soybeans all have hundreds and maybe thousands of product uses. Hemp can too, but they need the barriers removed and the consistency and stabilization which come from the regulatory framework you all can give us. On behalf of the hemp farmers & growers, I'm asking for that help.

Thank you for your time and consideration. I'd be pleased to answer any questions you may have.