

27 April 2020

Speaker Nancy Pelosi

1236 Longworth H.O.B. Washington, DC 20515

House Majority Leader Steny Hoyer

1236 Longworth H.O.B. Washington, DC 20515

House Minority Leader Kevin McCarthy

2468 Rayburn H.O.B. Washington, DC 20515

House Minority Whip Steve Scalise

2049 Rayburn H.O.B Washington, DC 20515 Senate Majority Leader Mitch McConnell

317 Russell S.O.B. Washington, DC 20510

Senate Minority Leader Chuck Schumer

322 Hart S.O.B.

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Senate Majority Whip John Cornyn

517 Hart S.O.B.

Washington, DC 20510

Senate Minority Whip Richard Durbin

711 Hart S.O.B.

Washington, DC 20510

RE: Protect Minority-Owned Marijuana Businesses and their Workers

Dear Members of Congress,

We write to you as the Marijuana Justice Coalition, a <u>broad coalition</u> of national drug policy, civil rights, anti-poverty, and criminal justice reform organizations who have joined forces to advocate for federal marijuana reform through a racial and economic justice lens. We want to express our support for the bipartisan effort currently underway to expand access to emergency COVID-19 relief to small marijuana businesses. This funding, facilitated by the Small Business Administration for small businesses, is vital for vulnerable minority-owned small businesses in the marijuana industry. Prior to the COVID-19 pandemic, the marijuana industry already struggled with inclusivity and diversity in ownership and operations, as well as countless barriers to the industry for people directly impacted by marijuana criminalization.

Right now, the majority of states that regulate marijuana have appropriately deemed access to marijuana "essential" to the health and welfare of the community. These services are especially crucial for vulnerable medical marijuana patients. Despite small-to-medium size marijuana businesses remaining open, these operators have seen a drop in sales due to decreased foot traffic. This means that these marijuana businesses are facing difficult decisions around laying off staff and reducing employee work hours or keeping their doors open without access to the much needed resources and support systems in place for other businesses. These challenges will disproportionately hit minority-owned businesses the hardest – jeopardizing efforts to make the industry more reflective of communities directly affected by marijuana prohibition.

¹ https://www.nbcnews.com/politics/politics-news/no-federal-relief-cannabis-businesses-cry-help-coronavirus-batters-industry-n1180641

Furthermore, current SBA policies prevent marijuana businesses from accessing the Paycheck Protection Program (PPP), Emergency Economic Injury Disaster Loans (EIDLs), EIDL grants, or SBA loan forgiveness – programs intended to help businesses fight COVID-19 in safe and equitable ways. Specifically, the PPP was designed to keep workers at America's 30 million small businesses earning a paycheck during this time of uncertainty. Workers in the state-legal marijuana industry are no different than other sectors of the economy who show up to work every day to provide for their families. If marijuana businesses are unable to survive, the lives of millions of patients registered in state medical marijuana programs and the livelihoods of hundreds of thousands of marijuana workers will be under threat.

Today, 33 states and the District of Columbia provide legal access to medical marijuana and 11 states plus the District of Columbia provides legal access for adult-use. At the federal level, the Marijuana Justice Coalition has worked to advance the most comprehensive marijuana reform bill in Congress, the Marijuana Opportunity, Reinvestment, and Expungement (MORE) Act², which would end federal prohibition of marijuana, and take measures to repair the harms faced disproportionately by Black, Latinx, and low-income communities. In addition to ensuring that communities directly impacted by racially biased overenforcement are centered in federal marijuana reform, the Marijuana Justice Coalition also prioritizes ensuring that the industry is as diverse and inclusive of directly impacted communities as possible. Until broader national reforms can be enacted, it is vital that immediate action is taken to protect small businesses — namely businesses owned and operated by people of color and people directly impacted by the war on drugs — operating in this industry. This will ensure that underrepresented business owners are able to survive this economic hit in an industry in which they are already under-resourced.

Now more than ever, if we are to provide pathways of opportunity and ownership for communities that have been historically targeted and marginalized under the senseless and cruel policies of marijuana criminalization, Congress must protect these small businesses in order to ensure a level playing field in these emerging markets. Financial relief must be extended to these businesses that a majority of governors and other government officials have deemed "essential" at this moment.

It is our hope that you will support changes in the next COVID-19 legislative package that will allow state-licensed small businesses access to these resources so that they may protect the workers and communities they serve.

Thank you for your attention to this critical matter. Please contact Queen Adesuyi of the Drug Policy Alliance and Justin Strekal of the National Organization for the Reform of Marijuana Laws at qadesuyi@drugpolicy.org and justin@norml.org with any questions.

Sincerely, Marijuana Justice Coalition



² https://www.congress.gov/bill/116th-congress/house-bill/3884