



Maine Credit Union League

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Neither For Nor Against

LD 859: Resolve, Directing the Treasurer of State to Review and Develop Options for Meeting the Banking Needs of the Cannabis Industry

Committee on Veterans and Legal Affairs

March 18, 2025

Good Afternoon, Senator Hickman, Representative Supica, and distinguished members of the Committee on Veterans and Legal Affairs,

My name is Robert Caverly and I am the Vice President of Advocacy and Outreach at the Maine Credit Union League. The Maine Credit Union League is the trade association for Maine's 48 credit unions and over 750,000 members statewide. We respectfully submit the following testimony **neither for nor against LD 859**.

We want to begin by thanking the sponsor for her work on this topic. Cannabis banking is a significant challenge, and we regularly hear from businesses and legislators about the need for increased access to services.

It is true that there is more demand for cannabis banking than there are institutions willing to take the risk to their members by providing those services. There are two ways risk can be mitigated. The first is for individual businesses to comply with existing federal guidance. The second is for federal law to change on this issue.

Any cannabis banking occurring now must comply with existing federal financial regulation. To provide financial services, cannabis businesses must be able to show they are operating in a manner that prevents diversion and includes the use of track and trace programs. Some in the medical cannabis space are unwilling to do so, because these requirements are not in the state laws governing them. However, refusing to implement the federal financial requirements means they do not have to access banking services.

Maine's current regulations for the adult-use cannabis industry more closely align with national standards. This consistency means that it is far easier to provide financial services to adult-use cannabis providers and is part of why we have consistently urged this committee to make the medical program reporting requirements more similar to adult-use, rather than widening the gap.

In the 131st legislature we testified to this effect on LD 1757, 1529, 788, and 355. Additionally we sent a memo to Legislative leadership on this issue after federal regulations changed in 2022.

While we appreciate the desire for a study to address this problem, we feel the solution is already clear. From our perspective, the only real solution to the problem is for the federal government to pass the SAFE/SAFER Act. All members of the Maine delegation have stated

their support for this legislation, however the political environment in Washington D.C. has not allowed for its passage yet.

Finally, the Maine Credit Union League remains opposed to any creation of a state bank, including one that operates with 100% reserves for the purpose of banking cannabis.

If the goal is to ensure a well-run cannabis industry that has access to financial services, we would encourage the alignment of Maine's medical cannabis laws with national standards and to look to states that have a robust and well banked cannabis-industry.

The more we can decrease the risk to our financial institutions, the more they will be able to increase access to the financial services that the sponsor is correct to point out, are desperately needed. Thank you for your consideration.