



Maine Credit Union League

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In Opposition to

LD 1672: An Act to Allow Participation in the Adult Use Cannabis Tracking System to Be Voluntary

In Support of

LD 1847: An Act to Institute Testing and Tracking of Medical Use Cannabis and Cannabis Products Similar to Adult Use Cannabis and Cannabis Products, Dedicate a Portion of the Adult Use Cannabis Sales and Excise Tax to Medical Use Cannabis Programs and Create a Study Group

Committee on Veterans and Legal Affairs

May 5, 2025

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 **in opposition to LD 1672 and in support of LD 1847**.

Financial services for the cannabis community remains a nagging challenge for all that are involved; policy makers, regulators, financial service providers, and most of all cannabis growers. The League has been advocating on this issue for several legislative terms now. Our message has been consistent; the track and trace requirements for the adult use industry in Maine more closely aligns with the expectations and demands of federal financial regulators. Because of this it is unusual to hear banking concerns from the adult use cannabis industry. For this reason, we are strongly opposed to the proposal in LD 1672 that would make the track and trace requirements voluntary. Making track and trace voluntary would send a message to the adult-use community and create a regulatory environment that is inconsistent with the federal requirements necessary for those businesses' ability to maintain their banking accounts.

This committee heard several concerns from cannabis growers regarding their banking experiences during the public hearing of LD 859. The League would note that those who testified about their struggles to get accounts were exclusively participants in Maine's medical cannabis program, where the same track and trace requirements are not required. Another subset of testimony stated that some medical cannabis providers had left their credit union for a bank, but those growers were also members of Maine's adult use market as well. We surmise that those growers are running their medical programs to the same standards as their adult-use programs, which aligns them with banking standards.

The inconvenient truth is that medical cannabis growers may have access to banking services if they adopt similar track and trace and financial reporting requirements as the adult use

market uses. This is why the League is in strong support of LD 1847's proposal to bring the two cannabis programs into closer alignment.

The League sympathizes with those in the cannabis industry that have challenges getting financial services for their state legalized business. We will continue to advocate for solutions that will bring greater access to financial services for these businesses.

It is not credit unions that set the requirements for track and trace and strict business accounting. These are edicts and guidance coming directly from our federal regulators, and things we must enforce if we are to remain operational. Regulations continue to tighten, and even in the status quo they are so strict and the requirements so onerous and out of step with the medical community in Maine that we may see financial institutions deciding that providing banking services to this community is not worth the risk to their non-cannabis members.

It is important to note that any credit union offering cannabis banking services is not doing so to make financial gains. These credit unions offer services to cannabis businesses because they care about their community. For numerous reasons, legal cannabis businesses need to have banking accounts, most importantly for public safety and proper taxation. Any credit union taking on cannabis accounts automatically falls under higher scrutiny from federal financial regulators. The increased requirements and regulatory uncertainty make it challenging for any credit union to sustain banking the cannabis industry, especially with increased scrutiny from regulators.

Maine policymakers can help keep financial services for cannabis businesses by keeping track and in trace in place for the adult use program and requiring similar regulations of the medical program. 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 cannabis laws with national standards and to look to states that have a robust and well banked cannabis-industry.

The League appreciates the opportunity to share our view with the committee. We urge the committee to vote ought not to pass on LD 1672, and strongly consider adopting LD 1847.