

DATE, MARCH 19TH, 2025.

MAINE LEGISLATIVE COMMITTEE ON VETERANS & LEGAL AFFAIRS [VLA]

SUBJECT: L.D.859

SENATE CHAIR HICKMAN

HOUSE CHAIR SUPICA

SENATE MINORITY LEAD CHAIR TIMBERLAKE

HOUSE MINORITY LEAD CHAIR BOYER

DISTINGUISHED VLA COMMITTEE MEMBERS

DEAR COMMITTEE MEMBERS.

THANK YOU FOR GIVING ME THE OPPORTUNITY TO TESTIFY TODAY. MY NAME IS TAMMY SMITH AND I HAVE BEEN IN THE MEDICAL PROGRAM SINCE 2017. OUR FAMILY BEGAN AS HOME-BASED CAREGIVERS/CULTIVATORS. IN 2020, WE OPENED A MEDICAL RETAIL STORE AND, IN THE FALL OF 2023, WE OPENED A STOREFRONT IN THE RECREATIONAL MARKET.

I AM TESTIFYING THIS MORNING AS THE BOARD CHAIR FOR MMCM, A TRADE ASSOCIATION WHOSE MISSION IS TO ADVOCATE, LEGISLATE AND EDUCATION FOR THE CANNABIS INDUSTRY IN MAINE.

MMCM IS IN FAVOR OF L.D. 859

A FUNDAMENTAL CHALLENGE FACING SMALL CANNABIS BUSINESSES IS THE PERSISTENT LACK OF ACCESS TO TRADITIONAL BANKING SERVICES. THOSE UNABLE TO SECURE AN ACCOUNT AT ONE OF THE FEW INSTITUTIONS ARE FORCED TO OPERATE ALMOST EXCLUSIVELY IN CASH, CREATING A CASCADE OF PROBLEMS. PAYING SUPPLIERS, MANAGING PAYROLL, AND EVEN SIMPLY DEPOSITING REVENUE BECOME COMPLEX AND RISKY UNDERTAKINGS. THE NECESSITY OF STORING AND TRANSPORTING LARGE AMOUNTS OF CASH CREATES A SIGNIFICANT SECURITY VULNERABILITY, PUTTING BOTH THE BUSINESS AND ITS EMPLOYEES AT RISK OF THEFT AND VIOLENCE. FURTHERMORE, THE INABILITY TO UTILIZE ELECTRONIC PAYMENT SYSTEMS OR SECURE LOANS SEVERELY RESTRICTS THEIR ABILITY TO GROW AND COMPETE IN THE MARKETPLACE. THIS ISSUE REQUIRES URGENT LEGISLATIVE AND REGULATORY SOLUTIONS TO ENSURE THE SAFETY AND VIABILITY OF THESE SMALL BUSINESSES.

AS A SMALL BUSINESS OWNER MYSELF INVOLVED IN MULTIPLE INDUSTRIES, I HAVE BEEN IMPACTED DIRECTLY AND ARE FULLY AWARE OF THE CHALLENGES FACED BY CANNABIS BUSINESSES. I LOST MY PERSONAL AND REAL ESTATE BUSINESS ACCOUNTS IN 2020 FOR THE SOLE REASON THAT I WAS A CAREGIVER. NO CANNABIS FUNDS WERE EVER PROCESSED THROUGH THOSE ACCOUNTS. I WAS ADVISED THE ONLY WAY TO KEEP MY ACCOUNTS WAS TO PROVE THAT CANNABIS FUNDS WERE DEPOSITED INTO ANOTHER ACCOUNT. I WAS UNABLE TO DO THAT AS WE OPERATED IN ALL CASH. SINCE THAT TIME, I AM ONE OF THE LUCKY ONES TO OBTAIN A BUSINESS ACCOUNT AT A LOCAL INSTITUTION.

TAMMY SMITH

BOARD CHAIR MMCM

SMALL BUSINESS OWNER