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State legislators across country call on Congress to solve cannabis business banking problem

BOSTON – State legislators from across the United States renewed a resolution today to help legal cannabis businesses access banking services – to protect those entrepreneurs’ personal and financial safety – and let states determine their own paths forward on cannabis regulation.

Oregon legislators Sen. Ted Ferrioli (R-John Day), Sen. Ginny Burdick (D-Portland), Rep. Phil Barnhart (D-Eugene) and Rep. Julie Fahey (D-Eugene) worked together to pass the renewal of this resolution at the National Conference of State Legislatures annual summit, currently underway in Boston.

When they don’t have access to banking services, legal cannabis businesses are forced to operate in cash only. This makes them prime targets for robbery and violent acts due to the high value of the product.

"Current Federal Law prevents legal Oregon businesses from using the banking system for depositing receipts and paying their bills," Barnhart said. "This resolution asks for changes in the federal marijuana law to allow those legitimate businesses to operate the same way other

small businesses operate to accept payments and pay their bills. Their owners will no longer have to carry large amounts of cash to pay their taxes, rent, suppliers and wages if the federal laws allow normal use of the banking system."

Legislators also are calling for removing cannabis from Schedule 1 status on the federal level to enable important research to occur. They are calling for that change, as well.

"Americans across the nation have weighed in on this issue. We are asking the federal government to remove cannabis from scheduling so that we can forge ahead with life-changing cannabis medical research," Ferrioli said. "Cannabis is not heroin and it is not LSD, we should move forward with a more common-sense approach to public policy. Flawed federal cannabis policy is perpetuating the mentality of Prohibition, enabling foreign and domestic gangster cartels and wasting precious public safety resources."

Oregon's cannabis industry is making a substantial impact on the state's economy and, as a legal business, it should have the same access to banking services as other industries.

"The cannabis industry is making noteworthy contributions to Oregon's economy, and it will be an important driver of economic growth and job creation in the future," Fahey said. "I hear from small cannabis business owners across Oregon that access to capital and secure banking services are critical for their success. Removing marijuana from scheduling at the federal level will help these businesses to move away from cash-only operations and will allow entrepreneurs to secure loans to start new businesses."

The original resolution was passed first last year at the group's annual conference in Chicago. It was crafted and shepherded to passage by Burdick, Ferrioli and Rep. Ann Lininger (D-Lake Oswego). Barnhart has agreed this year to sign on with the resolution as Oregon legislators worked to have it renewed.

"Twenty-nine states, the District of Columbia and Guam already allow some form of legal cannabis use," Burdick said. "In November 2016, a number of states legalized recreational cannabis, including California, Massachusetts, Nevada and Maine. At the same time, Florida, North Dakota, Arkansas and Montana approved medical cannabis programs. As more states continue to legalize either medical or adult use cannabis, it is imperative that we allow legal cannabis businesses to access the banking system. Cash only business leaves room for non-compliance, inaccurate recordkeeping and lack of access to capital. Access to the banking system means better financial regulation and public safety for this growing industry."

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