



**HEARING ON DEVELOPMENTS IN STATE CANNABIS LAWS AND BIPARTISAN
CANNABIS REFORMS AT THE FEDERAL LEVEL
U.S. HOUSE COMMITTEE ON OVERSIGHT AND REFORM
SUBCOMMITTEE ON CIVIL RIGHTS AND CIVIL LIBERTIES
KHADIJAH TRIBBLE, INTERIM CEO, US CANNABIS COUNCIL
NOVEMBER 15, 2022**

The US Cannabis Council (USCC) is the voice of America's regulated cannabis industry. Our business members include many of the largest cannabis companies in the nation, and our nonprofit members are leaders in cannabis policy, criminal justice reform, and more. By harnessing the collective power and reach of our 60+ member companies and nonprofits, we have become a leading force for ending federal prohibition and creating an equitable and values-driven cannabis industry.

USCC and its members thank the committee for holding this hearing. We commend Chairman Jamie Raskin for his efforts to protect federal employees from discrimination on the basis of cannabis use. Ranking Member Nancy Mace is a leader in the effort to reform federal cannabis laws and USCC has endorsed the States Reform Act (SRA) she introduced in November 2021. The SRA would deschedule cannabis under the Controlled Substances Act and establish a federal regulatory framework under which cannabis businesses may access financial services, small businesses compete on a level playing field, and we begin to undo the harms of prohibition.

With voters approving recreational cannabis ballot measures in Maryland and Missouri, nearly half of all Americans now live in states where cannabis is legal. It is long overdue for the federal government to begin the process of ending federal prohibition of cannabis, create pathways to an equitable industry, and resolve the growing conflict between state and federal law.

While descheduling and comprehensive reform remain our top priority, Congress should pass the SAFE Banking Act before the end of the current term. As additional state cannabis markets come online and businesses continue to live in fear of armed robberies, we cannot risk further delay.

The legal, regulated U.S. cannabis industry is now operating in 38 states and the District of Columbia. For several years, voters across all groups, income levels, party affiliations, and gender, have supported legalization by over 60%. It is estimated the adult-use market for state-regulated cannabis products reached \$13.6 billion in 2021. When combined with an additional \$11.5 billion in the sale of medical cannabis products, total legal sales accounted for \$25.1 billion in activity. And revenue is growing fast, with average 5-year annual growth through 2025 estimated at over 16%.

As of May 2021, states reported a combined total of \$7.9 billion in tax revenue from legal, adult-use marijuana sales. In addition to revenue generated for statewide budgets, cities and towns have also benefited from hundreds of thousands of dollars each in new revenue from local adult-use cannabis taxes.

Today, 43.5 million Americans consume cannabis obtained through state-regulated programs, which the federal government considers illegal for nearly every purpose. 428,059 full-time equivalent jobs are supported by the legal cannabis industry as of January 2022. Last year, the cannabis industry created an average of 280 new jobs per day. It was the fifth year with an annual jobs growth rate exceeding 27%.

As the legal cannabis industry continues to grow, smaller businesses, including minority-owned businesses and those led by justice-involved entrepreneurs, will need access to banking to succeed.

USCC has worked with its Diversity, Equity & Inclusion Task Force to spotlight the critical need for banking access among minority-owned businesses, equity operators, and those applying for licenses under state equity programs. In an October 28th, 2022, letter to Leader Schumer, 40 equity businesses and applicants urged Congress to act on SAFE Banking before the end of the year, citing public safety concerns, the importance of banking to having viable businesses, and the fact that many potential licensees are formerly incarcerated.¹

The vote last week in the Chairman's home state of Maryland, putting in motion the process to legalize cannabis sales in the state, poses additional challenges for businesses in the region and underlines the need for banking access. Linda Mercado-Greene, owner of Anacostia Organics in Washington, DC, stressed the urgency of SAFE Banking, especially for Black-owned businesses like hers.²

The NAACP recently adopted a [resolution](#) in support of SAFE Banking, acknowledging that without this critical piece of legislation state efforts to advance equity in this industry will be toothless and ineffective.

In New Jersey, a group of faith leaders sent a letter of their own to Leader Schumer and to the New Jersey delegation, citing the potential for continued violence in their communities unless cannabis businesses are able to move away from cash transactions.³ The pastors urge Congress to pass additional restorative justice legislation that can receive the needed support, while stressing that SAFE Banking can and should pass by the end of the year.

These efforts build on bipartisan support across the country, from state attorneys general to treasurers, legislators and governors, all of whom support swift action on this legislation.⁴

Thank you, Chairman Raskin and Ranking Member Mace, for holding this important hearing. We look forward to partnering with you to address inequities and barriers to this industry and continue to advance the case for comprehensive cannabis reform.

For questions and other inquiries, please contact: Khadijah Tribble, Chief Executive Officer,
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¹ [Letter to Leader Schumer from 40 equity licensees and applicants in New York and New Jersey](#)

² [GREENE: Giving Cannabis Access to Banks Will Improve Equity, Inclusion - The Washington Informer](#)

³ [Letter to Leader Schumer and New Jersey lawmakers from 5 faith leaders in NJ](#)

⁴ See: [Bipartisan Attorney General Sign on Letter in Support of SAFE](#), [Bipartisan Governors Sign on Letter in Support of SAFE](#), [NCSL Letter in Support of SAFE](#), [NAAT Letter in Support of SAFE](#)