

# NuLeaf<sup>TM</sup>

## PROJECT

March 12, 2021

Chair Bynum and the Honorable Members of the House Committee on Judiciary,

I'm writing in support of HB 3112. Timing is now to invest growing cannabis tax revenue to repair the harms of over-policing on Black, Indigenous and Latinx communities, of which cannabis criminalization played a significant part. Speaking as someone who's been arrested for cannabis, and had several of my family members arrested, I understand personally the war on drugs was a war on us – my Black community. This was not about addiction or disease, but about racist systems of oppression that trigger a difficult to break cycle of police intervention, imprisonment, and back again. The results of which include a lifetime of limited opportunity in jobs, housing, education, and access to entrepreneurship capital. The diminished economic outcomes are born by all members of the family and last for generations. Due to over-policing and unequal sentencing, Black families have had wealth extracted in myriad ways and have seen the opportunities for their children and their children's children diminish. Only the children of Black Americans are likely to do less well socio-economically than their parents.

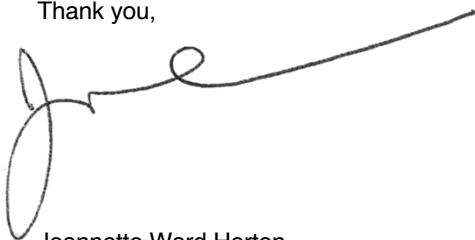
The cannabis industry in Oregon presents two well-timed opportunities to create equity via HB 3112 in Black, Indigenous and Latinx (BIL) communities – the three racial/ethnic groups disproportionately targeted by cannabis criminalization.

First, the Cannabis Equity Fund invests \$100M per year and growing to meet equity needs for BIL communities, including funding for BIL-owned businesses in the cannabis industry and outside of it. According to a 2010 MIT study, "Lower levels of startup capital explain much of the difference between the success rates of Black and white businesses." Growing BIL-owned businesses build generational wealth for BIL families and provide jobs to BIL community members thanks to the fact that diverse-owned businesses employ more diverse employees. Capital to small businesses is one of the best investments this fund can make to create economic equity for generations and create jobs for diverse people. According to Portland Business Journal, from 2008 to 2018, less than nine SBA loans were made per year to Black-owned businesses in Oregon. Where the federal government has failed in equitable business funding, Oregon's Cannabis Equity Fund can close some of the gap.

Second, the cannabis industry is currently the fastest growing industry in Oregon. And the current illegality at the Federal level has created a unique opportunity for small business owners to have a shot at establishing rapidly growing businesses. With federal legalization on the horizon, right now, cannabis equity licensees (defined in HB 3112 as a business at least 51% BIL-owned) must launch and scale their businesses to put them in position to capitalize on exponential growth at federal legalization. If we move slow, if we don't do this now, we miss the big opportunity to create significant wealth in diverse communities.

I urge you to pass HB 3112: Oregon's Cannabis Equity Act.

Thank you,



Jeannette Ward Horton

Executive Director  
NuLeaf Project