



The Oregon Cannabis Association
In support of HB 4016 and -1

February 2, 2022

Chair Lively, Vice-Chair Cate, Vice-Chair Kropf and Members of the House Committee on Economic Recovery and Prosperity,

Thank you for this hearing today on HB 4016. My name is Meghan Walstatter and I am the Interim Executive Director and Board President for the Oregon Cannabis Association. Since 2017, my husband and I have owned a Tier One production license in Clackamas County. From 2014-2019, we owned a retail dispensary in Portland.

The Oregon Cannabis Association was formed in 2014. We are a diverse group of over 250 business members-- cultivators, processors, retailers, entrepreneurs, and other allied businesses. Our mission is to help one another thrive through networking events, educational workshops and political representation.

I am here today in support of several important provisions within HB 4016 and the -1 amendment. I urge you to adopt a full license moratorium excluding labs. As you have heard in previous proceedings, the cannabis market is saturated and a moratorium across all license types (excluding labs) is needed. Much of Oregon's legal cannabis sector is struggling. Our licensees compete with an unregulated market, don't have access to financial services, pay unusual security costs, can't deduct business expenses from federal taxes, and face numerous, unique regulatory burdens. Our members were also ineligible for any federal Covid assistance funds and had to navigate Covid without any assistance. Wildfires, vandalism and robberies have also impacted our members financially with little assistance from outside funding sources. When added on to these dynamics, market saturation and oversupply can be devastating for small and large operators. We do not seek to halt licensing forever. A two year pause on new licenses however, is necessary and critical to stabilize the market and protect Oregon's legal cannabis industry.

We also support sections in the bill creating the License Assignment Program so that OLCC may assign expired, relinquished, or otherwise suspended licenses. Implementation of this program

will be important, as we support and expect that these licenses will be made available to equity applicants.

Thank you each for your service to Oregon and for hearing our views.

Best wishes,

Meghan Walstatter
Interim Executive Director and Board President
Oregon Cannabis Association