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PROPOSED HOUSE BILL COULD SAVE CANNABIS BUSINESSES SUFFERING DURING THE COVID-19 CRISIS

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The Emergency Cannabis Small Business Health and Safety Act (the “Act”), introduced by House Reps. Earl Blumenauer (D-OR) and Ed Perlmutter (D-CO), could help an industry which employs at least 250,000 Americans amid the coronavirus pandemic. Despite being designated an “essential service,” cannabis businesses, and those businesses serving the cannabis industry, are largely shut out from receiving financial assistance under the recently passed CARES Act. The lack of equal access leaves an industry already suffering disproportionate financial burdens under normal conditions, especially vulnerable. The Act as proposed clears the way for cannabis businesses to apply for and receive access to federal programs such as the Paycheck Protection Program and the U.S. Small Business Administration Economic Injury Disaster Loan Program, which offer forgivable federal loans for business expenses, including, payroll, rent, debt obligations and utility payments. Given that cannabis remains federally illegal as a Schedule I drug, it remains to be seen whether the Act will be passed and the necessary aid distributed. However, the Act is a light at the end of an otherwise gloomy tunnel for an industry providing medical services to thousands of Americans daily.

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