

## **Re: Opposition to Bills HB636, HB659, HB688, HB698, HB792, SB307, and SB375 – The Coordinated Effort to Dismantle Montana’s Legal Businesses**

As Montana business owners, we have spent years investing in and building businesses that provide jobs, generate economic activity, and contribute to the long-term success of our state. Beyond our direct involvement in the legal cannabis industry, many of us also own and operate businesses in other sectors—tourism, agriculture, real estate, entertainment, construction, hospitality, and professional services—each of which is directly impacted by the policies enacted in Helena.

The proposed legislation— **SB307, HB636, HB698, HB688, HB793, and SB375**—is a blatant attempt to dismantle an industry that Montanans voted to regulate. **Even one of these bills alone would have significant, potentially devastating consequences** for Montana business owners. But taken together, they are unmistakably part of a coordinated effort to systematically destroy an industry that contributes millions to our local economy. If enacted, these bills will **cripple Montana businesses, eliminate high-paying jobs, burden local banks with loan defaults, and have ripple effects across multiple industries.**

### **The Economic Consequences of These Bills**

- 1. Montana Businesses Will Close, Eliminating Jobs Beyond Just the Cannabis Sector**
  - This is not just about cannabis retailers or growers—Montana’s entire small-business ecosystem stands to lose. The legal cannabis industry supports a wide range of Montana-based businesses that depend on our investment and spending. From farm supply stores and airBNBs to electricians, HVAC specialists, contractors, hotels, real estate brokers, equipment manufacturers, software developers, transporters, security firms, and accounting firms, our industry fuels economic activity far beyond dispensary doors. If these bills pass, businesses across multiple sectors will lose critical revenue, leading to job losses across the state.
- 2. Montana’s Economy Will Take a Massive Financial Hit**
  - This is not just about tax revenue—this is about millions of dollars in capital investment that will be wiped out overnight. Many of us have seven-figure loans with Montana banks, equipment financing agreements, long-term leases, and payroll obligations. If these bills pass, businesses will default, property values will collapse, and expensive equipment will be rendered useless. Much of this will ultimately be forced into fire-sale liquidation or fall into the black market, leading to financial instability for Montana lenders, landlords, and service providers.
- 3. Montana Voters Chose a Regulated Market, Not an Underground One**
  - These bills do not address the concerns they claim to solve. They do not enhance education. They do not grant enforcement to the agencies that need it. They do not reduce youth consumption. What they do is create a government-imposed economic collapse—one that will not make cannabis go away but will

ensure that cannabis sales happen outside of the legal, regulated market. This is a reckless approach to governance and a direct attack on law-abiding business owners who have followed every rule, paid every fee, and played by the book.

## **A Responsible, Collaborative Approach**

Montana's cannabis business leaders want sensible regulation and education that protect public safety. We also support enforcement from the Attorney General to keep intoxicating hemp from entering Montana. In fact, we **want to work with lawmakers** to develop **common-sense solutions** that accomplish these goals **without destroying an entire industry and the businesses that depend on it.**

To that end, we are calling for:

1. **A Legislator-Industry Partnership to Develop an Education and Enforcement Framework**
  - We are ready and willing to work alongside legislators, law enforcement, educators, and prevention organizations to **develop a data-driven, common-sense approach** to youth prevention and responsible use. **This is a problem best solved through structured education and enforcement, not through excessive and burdensome regulation that punishes responsible business owners.**
2. **A Formal Study Conducted by the Economic Affairs Interim Committee (EAIC)**
  - We request the **Economic Affairs Interim Committee (EAIC)** be tasked with **conducting a formal study over the next two years** to assess the economic impact of these proposals and to provide a framework for effective, **measured** regulatory reform—one that protects public interests without needlessly dismantling an industry that Montanans voted to regulate.

## **Vote NO on These Bills – Let's Work Together on Real Solutions**

I urge you to **vote NO on all of these bills** and instead commit to a **collaborative, data-driven approach** that prioritizes education, enforcement, and economic stability. The businesses we have built—whether cannabis-related or not—are woven into the fabric of Montana's economy. We do not want to see them destroyed by government overreach disguised as public safety measures.

I welcome the opportunity to discuss this further and to work alongside the legislature to craft solutions that actually address concerns **without putting thousands of Montanans out of work.**

Thank you for your time and consideration.