

THE

CAPUTO

GROUP

CANNABIS & COVID

April 23, 2020 Webinar

SPECIAL FOCUS: Cannabis & Hemp Industries

- UPDATE: CARES Act
- Shifting Business Realities for Cannabis & Hemp
- Opportunity out of Adversity



ABOUT THE CAPUTO GROUP

The Caputo Group offers complete support services for small to mid-sized businesses so you can focus on your craft.

We take on your Human Resources, Compliance, and Liability giving your small business big business expertise.



SPECIAL PANEL GUESTS

- Jesse Bontecou – Oregon Retailers of Cannabis Association (ORCA)
- Courtney Moran – Oregon Industrial Hemp Farmers Association (OIHFA)
- Todd Key – Green Light Law Group

CARES ACT RELOADED

- Two weeks - rough start: no precedent, insufficient infrastructure, inadequate funding, guidance & oversight
- Stampede & Bottleneck
- This week – Senate passes \$483B relief pkg 4/21; goes to House today
 - \$310B for PPP
 - \$60B for EIDL
 - \$60B for smaller lenders and the “unbanked”
 - \$75B for hospitals
 - \$25B for testing

CARES ACT & CANNABIS

- Industrial Hemp qualifies for PPP & EIDL
- \$23.5B in coronavirus aid for AG sector

- Cannabis – Essential yet Illegal – Access Denied
- U.S. Cannabis market estimated at \$56B

TODD KEY, GREEN LIGHT LAW GROUP

- Legal & Regulatory Context for Cannabis amid COVID-19
 - Challenges
 - Opportunities
- Could COVID-19 help speed up legalization?

TIME IS RIGHT TO LEGALIZE

- Historical Precedent – Post-prohibition alcohol taxes became major revenue source for federal, state & local governments
- Governments are looking for sources of revenue
- March revenues spike – Average Dispensary Purchase up 47%
- MJBizDaily: March Cannabis Sales in Oregon: \$84.5M (6.4% increase over last record of \$79.4M August '19)
- States collected estimated \$1.3B in cannabis taxes in 2018 (Wyden & Merkley)

JESSE BONTECOU, ORCA

- ORCA's legal priorities: Fair Taxing, Access to Banking
- Path from Controlled Substance to Essential Industry to Legal Commodity
- Jobs Creation
- How to get involved

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INDUSTRIAL HEMP AMID COVID-19

- Self-sustaining homegrown commodity addressing multiple sectors
- Can access PPPLs & EIDLs
- Challenges – banking relationships
- Opportunities -
 - CBD online sales surged in March
 - Delays in Regulatory Action – USDA & FDA
 - Timing – Defense Production Act
 - Legal Precedent – “Hemp for Victory”

COURTNEY MORAN (OIHFA)

- Can delays in regulatory action benefit or buy time for Industrial Hemp?
- Can we ride the energy of the CBD sales surge to push for a change in the 0.3% THC baseline?
- How can fully enfranchising Industrial Hemp be a prime driver of economic recovery?
- Get involved – Campaigns

LEGISLATIVE UPDATES & LINKS

- Today - Emergency Cannabis Small Business Health & Safety Act (Reps Earl Blumenauer D-OR, Ed Perlmutter D-CO) join NCIA <https://thecannabisindustry.org/> to follow and support this bill
- April 6 – Senators petition SBA to accept loan applications from Cannabis Industry OR Senators Wyden & Merkley(D) Jacky Rosen (D-NV), Tammy Duckworth (D-IL), Michael F. Bennet (D-CO), Kirsten Gillibrand (D-NY), Bernard Sanders (I-VT), Edward J. Markey (D-MA), Cory A. Booker (D-NJ), Robert Menendez (D-NJ) and Kamala D. Harris (D-CA).
- ORCA <https://www.oregoncannabisretailers.com/>
- OIHFA <https://oregonhempfarmers.com/>
- Support Courtney's Campaign: <https://agriculturalhempolutions.com/>
- <https://www.friendsofhemp.org/>
- Green Light Law Group: <http://portlandmarijuanaattorneys.com/>
- Vote Hemp <https://www.votehemp.com/>



NEXT WEEK

- Updates on the CARES Act IV Rollout
- Steps towards re-opening – federal and state plans

WHAT WE CAN DO FOR YOU

For a free consultation about how your business could potentially manage the burden of HR 6201 (FFCRA) mandatory employee sick leave, visit us at:

<http://www.caputo-group.com/covid-19-free-consult/>

For additional resources, including a copy of this

presentation visit: <http://www.caputo-group.com/covid-19-resources/>

