

Potential Pathway for Cannabis Industry Eligibility for COVID-19 Stimulus Programs

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On April 24, President Trump signed into law the Paycheck Protection Program and Health Care Enhancement Act (the "Act"). The Act allocates an additional \$484 billion to replenish the Paycheck Protection Program ("PPP") and to provide funds for hospitals and COVID-19 testing.

Prior to the Act being signed by the President, on Thursday, April 23, 2020, Representatives Earl Blumenauer of Oregon and Ed Perlmutter of Colorado introduced the Emergency Cannabis Small Business Health and Safety Act in the House. This bill is intended to be included as part of a fourth COVID-19 relief bill and would allow both Direct and Indirect Marijuana Businesses (as discussed in our prior publication) to qualify for COVID-19 disaster relief funds.

In an issued statement, Blumenauer pleaded with lawmakers: "Without providing these businesses the relief needed to carry out the recommended public health and worker-focused measures, we are putting these hard-working people, and ourselves, at risk."

Given that cannabis remains federally illegal as a Schedule I drug, it is unclear whether the Emergency Cannabis Small Business Health and Safety Act will be passed. Without the passage of the Act, businesses in the cannabis industry may face certain economic challenges.

We will continue to monitor additional government relief offered at the state and federal level and provide updates if the treatment of marijuana-related businesses changes. In the interim, please feel free to reach out to us with any questions regarding available relief and your company's eligibility for such relief.