

Submitter: Miranda Weigler

On Behalf Of: Indiva Advisors LLP

Committee: House Committee On Economic Development and Small Business

Measure: HB2505

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Hello,

I'm writing on behalf of myself, the company I represent, and all of our regulated clients to ask that you to oppose HB 2505 in the strongest possible terms.

As an accounting firm, Indiva Advisors is intimately familiar with the financial struggles involved for regulated cannabis businesses. Competing with an illicit market, under-educated consumer base, and complex regulations create challenging business conditions in the best of times. Unfortunately for Oregon regulated cannabis, these are the worst of times. Our client's receipts were down an average of 30-55% for the last fiscal year.

Remember that these businesses are already subject to punitive federal tax code under 280E, pay additional costs for every compliance apparatus and access to basic requirements like banking, and have few avenues to any form of traditional capital or credit available to other business types. They pay tax on fictitious income, and often fictitious money when their cash is stolen, or they must write off bad debt.

These owners and operators have committed to the project of creating a safe, transparent supply chain. Many of them began by providing medical support for patients, and simply wanted to transition to a more stable compliance footing to employ additional people and share their products in a competitive market.

Oregon legislators should be focusing on how to support pathways to national and international markets for these businesses. They should be supporting increased medical research and IP protection for our unique and differentiated product sets. They should NOT be looking for additional ways to ask this industry to support the public purse.

Increased taxes would do irreparable harm to an already-struggling industry. Please, do not move this bill forward.

Respectfully,  
Miranda Weigler

CMO Indiva Advisors LLP