
From the Desk of Tayln Lang

10/05/2023

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To the Montana Legislature, the Economic Affairs interim Committee, The Department of Revenue, and the Cannabis Control Division:

I am writing this letter today because I feel it is my duty as a citizen of the great State of Montana, and as a licensee within the Montana Cannabis Program since 2007, to bring something to the Department's attention which needs immediate consideration.

Since the Department of Revenue has taken over the program there have been significant changes in the way the program is being implemented, regulated, licensed, and managed. I, for one, have been a staunch advocate for the proper regulation of this industry and have been driving to Helena to testify in front of such Committees as the House Health and Human Services Committee, the Senate Judiciary Committee, and various other interim and special committees which have held meeting on this industry for the last 16 years. We have made significant progress, and the industry has grown from a "wild-west", anything goes kind of program to a thoughtful and regulated program we have today.

However, as with any program in its infancy we can observe speed bumps and problems along the way as things grow and evolve. The CCD and the rulemaking process have been implemented at a breakneck speed, with licensees constantly having to adapt to new regulations and rules it would seem at every turn. Simultaneously the CCD has created a fine and inspection system that seems to

have swung the pendulum FAR too much in the direction of over-regulation and seems punitive, unequally applied, and quite draconian in its implementation.

To support this postulation, I sent Freedom of Information Act requests to California, Colorado, Oregon, and Washington to see how we compare in fines collected compared to the number of licensed entities in each State. I was shocked as the data came in at how extremely unequal Montana was in our collection of fines when compared to our sister legal cannabis States. California had 10,237 Cannabis Licensees in the State and collected \$(waiting for this information) in fines in 2022. Colorado had 37,172 total licensees and the state of Colorado issued \$890,000 in fines combined for 2021 and 2022, \$365,000 of which came from just two licensees. Absent these two, Colorado issued nearly \$100,000 *less* in fines than Montana over a longer time period from over ten times as many licensed entities. In Oregon we find that the total dollar amount paid in fines for 2022 was \$254,069. This was with 4,401 active licensees in the State. In the State of Washington there were 1,900 licensed entities and there were only 48 fines issued in 2022 totaling \$66,913.

The State of Washington even goes as far as hiring an outside firm to survey the licensees in the State as to the Department's proficiency, fairness, and other metrics of feedback to ensure the Department is acting in, and regulating the program, in a way that is helpful and not draconianly punitive. Perhaps we should look at doing something similar in Montana, since the number of licensees suing the State has begun to put an uncalculated and unforeseen financial burden on the DOR CCD and the program itself.

Thank you for your time and attention to this very important and pressing issue we are currently facing.

WA Licensee info: <https://lcb.wa.gov/about/annual-report>

WA Fine Info attached

OR Fine and Licensee info attached

CO fines and licensee info attached

CA Licensee info attached, Fine info pending

Sincerely,

Tayln Lang

Heirloom Remedies

Victor, Montana

406-544-4404