

September 20, 2019

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

Dear Speaker Pelosi and Minority Leader McCarthy:

As a national, diverse, multi-sector collection of broad stakeholders, that are impacted by the burgeoning legal cannabis industry throughout the United States, we write to ask that you bring the SAFE Banking Act (H.R. 1595) before the House floor for a vote. Our organizations support taking an initial step that allows proceeds from the legal cannabis industry into the banking system for purposes of public safety and to protect law-abiding financial institutions and ancillary businesses that have been put in an untenable position.

With 33 states and several territories permitting cannabis use, a growing chorus of Americans and legal businesses now face an increasing number of risks resulting from a patchwork legal system with no federal banking protections. Because of this, U.S. industry and, especially, financial institutions – which provide the infrastructure for safe marketplaces to grow— must assume civil and in some instances, criminal liability in order to service state-licensed cannabis businesses and ancillary companies.

As a result, the distribution, sale, possession, research, transaction, housing, employment, and broader landscape of cannabis is becoming increasingly problematic. This only creates more legal and security concerns that impact the operations and safety of businesses and consumers. More notably, the lack of available safe harbor for cannabis will continue to challenge the full adoption and deployment of the legal hemp and CBD products market in the U.S. due to the inextricable link between hemp and cannabis.

To help resolve this, we urge Congress to vote on and pass the SAFE Banking Act or similar measures, which are meant to create a safe harbor for depository institutions that provide a financial product or service to a covered business in a state which has implemented laws and regulations permitting the use of cannabis. A safe harbor would not only enable law enforcement and states to effectively monitor and regulate cannabis transactions and businesses, but it would bring billions of dollars and tax revenue out of duffel bags and safes and into the regulated banking sector.

We understand that creating a true federal regulatory framework for cannabis is a multi-step process. However, we strongly believe that the SAFE Banking Act is a critical first step to ensure that legal cannabis marketplaces are safe, legal, and transparent.

Thank you for your thoughtful, bipartisan leadership. We look forward to working with you on this increasingly important issue.

Sincerely,

American Bankers Association
Americans for Prosperity
Council of Insurance Agents and Brokers
Electronic Transactions Association
National Association of Mutual Insurance Companies
National Association of Professional Employer Associations
National Association of REALTORS®
Wholesale & Specialty Insurance Association

CC:

The Honorable Steny Hoyer, Majority Leader
The Honorable James Clyburn, Majority Whip
The Honorable Steve Scalise, Minority Whip
Members of the House of Representatives