

March 25, 2019

The Honorable Maxine Waters
Chairwoman
Committee on Financial Services
Washington, D.C. 20515

The Honorable Patrick McHenry
Ranking Member
Committee on Financial Services
Washington, D.C. 20515

Dear Chairwoman Waters and Ranking Member McHenry:

On behalf of our members, we write to express our support for H.R. 1595, the Secure and Fair Enforcement (SAFE) Banking Act of 2019, which would permit depository institutions to serve the needs of their customers in states where cannabis is legal.

We would like to thank you and the members of the House Financial Services Committee for your efforts to work cooperatively to solve the practical problems caused by the disparate treatment of cannabis under federal and state laws. Although we do not take a position on the legalization of marijuana, our members are committed to serving the financial needs of their communities – including those that have voted to legalize cannabis. The current threat of criminal and civil liability under federal law is suppressing the provision of vital financial services in the thirty-three states that have legalized cannabis in some form.

The SAFE Banking Act of 2019 provides a mechanism for the cannabis industry and its service providers to deposit their cash in regulated financial institutions, which allows our members to meet the needs of their communities and helps those communities reduce cash-motivated crimes, increase the efficiency of tax collections, and improve the financial transparency of the cannabis industry.

Without congressional action, a significant portion of economic activity, including those businesses with only indirect connections to the cannabis industry, such as vendors, suppliers, and utility companies, risk being marginalized from the financial system in states with legal cannabis industries. The SAFE Banking Act of 2019 provides needed legal protection and clarity for financial institutions to accept deposits, extend credit, and provide other financial services to individuals and businesses that derive some portion of their income from legal state cannabis related activity.

We support reporting H.R. 1595 out of Committee and look forward to continuing to work with you and your colleagues to enact this important legislation.

Sincerely,



Rob Nichols
President and CEO
American Bankers Association



Jim Nussle
President and CEO
Credit Union National Association

Cc: Members of the Committee on Financial Services