



July 13, 2022

The Honorable Nancy Pelosi
Speaker
United States House of Representatives
Washington, D.C. 20515

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
Washington, D.C. 20515

Dear Speaker Pelosi and Minority Leader McCarthy,

On behalf of the Credit Union National Association (CUNA), Independent Community Bankers of America (ICBA), National Association of Federally-Insured Credit Unions (NAFCU), and the American Bankers Association (ABA), we are writing regarding H.R. 7900, the FY 2023 National Defense Authorization Act.

Our associations support Amendment #107, authored by Representatives Perlmutter (CO), Velázquez (NY), Davidson (OH), Blumenauer (OR), Joyce (OH), and Lee (CA), which would add the SAFE Banking Act to H.R. 7900.

In recent years, as various states have legalized cannabis for medicinal and recreational use, participants in the market have sought out financial institutions to provide safe and affordable financial services. In recent years, 36 states, the District of Columbia, Guam, Puerto Rico and the U.S. Virgin Islands have approved medical marijuana and other cannabis programs.

We take no position on legalizing or decriminalizing medicinal or recreational cannabis at either the state or federal level. However, financial institutions operating in states where it is legal have business and individuals involved in the cannabis market who need access to traditional depository and lending services, the absence of which creates a significant public safety issue.

Additionally, even those financial institutions that choose not to bank the cannabis industry risk unknowingly serving cannabis businesses in states where cannabis is legal. Indirect connections are often difficult to identify and avoid because, like any other industry, those offering cannabis-related services work with vendors and suppliers. Under current law, a financial institution that does business with any one of these indirectly affiliated entities could unknowingly violate federal law.

The SAFE Banking Act puts in place necessary protections to bring revenue from state-sanctioned cannabis businesses into the financial services mainstream. Legal cannabis businesses would no longer be forced to deal exclusively in cash, which makes them vulnerable to violent robbery and puts customers, employees, and the public at risk. The SAFE Banking Act will help keep our communities safe.

In conclusion, on behalf of America's financial institutions, we encourage the adoption of Amendment #107 by Representative Perlmutter (CO) to H.R. 7900, the National Defense Authorization Act (NDAA)



for Fiscal Year 2023. This is a commonsense proposal with broad bipartisan support that is in the best interest of America's communities.

Sincerely,

A handwritten signature in black ink that reads 'Jim Nussle'.

Jim Nussle
President & CEO
Credit Union National Association

A handwritten signature in black ink that reads 'Rebeca Romero Rainey'.

Rebeca Romero Rainey
President & CEO
Independent Community Bankers of America

A handwritten signature in black ink that reads 'B. Dan Berger'.

B. Dan Berger
President & CEO
National Association of Federally-Insured Credit Unions

A handwritten signature in black ink that reads 'Rob Nichols'.

Rob Nichols
President & CEO
American Bankers Association