

April 28, 2022

The Honorable Chuck Schumer  
Majority Leader  
United States Senate  
Room S-221, The Capitol  
Washington, DC 20510

The Honorable Mitch McConnell  
Minority Leader  
United States Senate  
Room S-230, The Capitol  
Washington, DC 20510

The Honorable Sherrod Brown  
Chairman  
Banking, Housing, & Urban Affairs  
503 Hart Senate Office Building  
Washington, DC 20510

The Honorable Pat Toomey  
Ranking Member  
Banking, Housing, & Urban Affairs  
455 Dirksen Senate Office Building  
Washington, DC 20510

Dear Senators Schumer, McConnell, Brown and Toomey:

On behalf of the members of the American Bankers Association (ABA) and the undersigned state bankers associations, which represent banks of all sizes from every state in the country, we write to ask you to include the Secure and Fair Enforcement Banking Act, (“SAFE Banking”) in the House-Senate conference version of the America COMPETES Act. As you know, this provision was approved by voice vote in the House of Representatives’ version of the COMPETES Act that passed in February.

The SAFE Banking Act is an urgently needed, and widely supported, bipartisan legislative solution to allow banks to handle the proceeds from state-licensed cannabis businesses and the accountants, skilled trades, landlords, law firms, and other service providers they rely upon for legal operations. Federal law prevents banks from banking cannabis businesses, as well as these ancillary businesses, without fear of federal sanctions. As a result, this industry is operating primarily in cash, which causes significant public safety concerns and undermines the ability of cannabis regulators, tax collectors, law enforcement and national security organizations to monitor the industry effectively.

The SAFE Banking Act is a narrowly tailored solution designed to bring this growing industry into the regulated banking system and provide much-needed visibility into its financial activity. Financial institutions adhere to stringent anti-money laundering and counter-terrorist financing reporting requirements, as well as monitor accounts for suspicious activity. The increased transparency that would come from processing transactions through bank accounts instead of in cash would ensure that regulators and law enforcement have the necessary tools to identify bad actors and remove them from the marketplace. The legislation would also enhance tax collection in the states where cannabis is now legal.

The inability of the state-licensed cannabis industry to access safe and regulated financial services is a pressing concern for so many of our nation's communities and the banks that serve them. With state-licensed cannabis businesses currently operating in 37 states and more states weighing legalization, we urge you to include the SAFE Banking Act in the compromise version of the COMPETES Act to address these critical issues as quickly as possible.

Sincerely,

American Bankers Association  
Alabama Bankers Association  
Alaska Bankers Association  
Arizona Bankers Association  
Arkansas Bankers Association  
California Bankers Association  
Colorado Bankers Association  
Connecticut Bankers Association  
Delaware Bankers Association  
Florida Bankers Association  
Georgia Bankers Association  
Hawaii Bankers Association  
Idaho Bankers Association  
Illinois Bankers Association  
Indiana Bankers Association  
Iowa Bankers Association  
Kansas Bankers Association  
Kentucky Bankers Association  
Louisiana Bankers Association  
Maine Bankers Association  
Maryland Bankers Association  
Massachusetts Bankers Association  
Michigan Bankers Association  
Minnesota Bankers Association  
Mississippi Bankers Association  
Missouri Bankers Association  
Montana Bankers Association  
Nebraska Bankers Association  
Nevada Bankers Association  
New Hampshire Bankers Association  
New Jersey Bankers Association  
New Mexico Bankers Association  
New York Bankers Association  
North Carolina Bankers Association  
North Dakota Bankers Association

Ohio Bankers League  
Oklahoma Bankers Association  
Oregon Bankers Association  
Pennsylvania Bankers Association  
Puerto Rico Bankers Association  
Rhode Island Bankers Association  
South Carolina Bankers Association  
South Dakota Bankers Association  
Tennessee Bankers Association  
Texas Bankers Association  
Utah Bankers Association  
Vermont Bankers Association  
Virginia Bankers Association  
Washington Bankers Association  
West Virginia Bankers Association  
Wisconsin Bankers Association  
Wyoming Bankers Association

cc: Members of the United States Senate