

April 1, 2021

Hon. Nancy Pelosi
Speaker of the House
H-232, The Capitol
Washington, DC 20515

Hon. Kevin McCarthy
Minority Leader
H-204, The Capitol
Washington, DC 20515

Hon. Charles E. Schumer
Majority Leader
322 Hart Bldg.
Washington, DC 20510

Hon. Mitch McConnell
Minority Leader
317 Russell Bldg.
Washington, DC 20510

Hon. Steny Hoyer
Majority Leader
H-107, The Capitol
Washington, DC 20515

Hon. Steve Scalise
Minority Whip
2049 Rayburn Office Bldg.
Washington, DC 20515

Hon. James E. Clyburn
Majority Whip
H-329, The Capitol
Washington, DC 20515

Hon. Richard J. Durbin
Majority Whip
711 Hart Bldg.
Washington, DC 20510

Hon. John Thune
Minority Whip
511 Dirksen Bldg.
Washington, DC 20510

Hon. Sherrod Brown
Chair
Senate Committee on Banking,
Housing, & Urban Affairs
503 Hart Bldg.
Washington, DC 20510

Hon. Patrick J. Toomey
Ranking Member
Senate Committee on Banking,
Housing, & Urban Affairs
455 Dirksen Bldg.
Washington, DC 20510

Dear Congressional Leaders:

We are a bipartisan group of state and territorial attorneys general committed to public safety, financial transparency, and the rule of law. On May 8, 2019, 38 state and territorial attorneys general urged passage of the Safe and Fair Enforcement ("SAFE") Banking Act, or similar legislation, providing access to the regulated banking system

for marijuana-related businesses in states with robust regulatory controls that ensure accountability in the marijuana industry. The undersigned attorneys general reiterate that support here and encourage Congress to take action expeditiously.

During the November 2020 election, voters in multiple states approved ballot measures to regulate cannabis for medical and/or adult use.¹ Currently, forty-seven states, the District of Columbia, and four U.S. territories have legalized some form of recreational or medical cannabis use (including CBD/low THC).² In short, it is clear that legalized cannabis is here to stay.

In forty-seven states, the District of Columbia, and four territories, cannabis is regulated through responsible and robust regulatory programs. Nonetheless, federal law currently inhibits the ability of national financial institutions to provide banking and other financial services to cannabis-related businesses operating lawfully under state regulations. Without access to traditional financial services, these businesses operate exclusively or primarily in cash, making those businesses targets for criminal activity and hindering efforts to ensure regulatory and tax compliance and track financial flows. This status quo—a rapidly expanding, multibillion-dollar national marketplace without access to the national banking systems—is untenable.

As we noted in our May 2019 letter to the congressional leadership, passage of the SAFE Banking Act or similar legislation,

in no way constitutes an endorsement of any state or territory’s specific approach to the legalization of marijuana-related transactions, and the Act is in no way an endorsement for the legalization of medical or retail marijuana in those jurisdictions that choose not to pursue such an approach. But regardless of how individual policymakers feel about states permitting the use of medical or recreational marijuana, the reality of the situation requires federal rules that permit a sensible banking regime for legal businesses.³

We further emphasized that passage of this legislation “reflects a recognition of the realities on the ground and an embrace of our federalist system of government that is flexible enough to accommodate divergent state approaches.”⁴

¹ *State Medical Marijuana Laws*, Nat’l Conference of State Legislatures, <https://www.ncsl.org/research/health/state-medical-marijuana-laws.aspx> (last accessed Mar. 23, 2021)

² *Id.*

³ *2019 SAFE Banking Act Letter*, Nat’l Ass’n of Attorneys Gen. (May 8, 2019), <https://1li23g1as25g1r8so11ozniw-wpengine.netdna-ssl.com/wp-content/uploads/2020/10/NAAG-Letter-SAFE-Banking-Act-of-2019.pdf>.

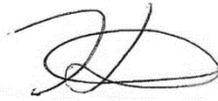
⁴ *2020 SAFE Banking Act Letter*, Attorneys General Phil Weiser & Wayne Stenehjem et al. (May 19, 2020), <https://coag.gov/app/uploads/2020/05/SAFE-Banking-Act-with-Signatures-5.19.20.pdf>.

To address an untenable status quo and recognize on the ground realities, we strongly urge the House of Representatives and Senate to promptly take up and act upon the SAFE Banking Act. Our states' ability to protect public safety and properly regulate this new and growing industry depends on Congress enacting this vital legislation.

Respectfully,



Phil Weiser
Colorado Attorney General



Karl A. Racine
District of Columbia Attorney General



Wayne Stenehjem
North Dakota Attorney General



Dave Yost
Ohio Attorney General

Enclosure