

United States Senate

WASHINGTON, DC 20510

November 23, 2021

The Honorable Jack Reed
Chairman
U.S. Senate Armed Service Committee
Washington, DC 20510

The Honorable Adam Smith
Chairman
U.S. House Armed Service Committee
Washington, DC 20515

The Honorable James Inhofe
Ranking Member
U.S. Senate Armed Service Committee
Washington, DC 20510

The Honorable Mike Rogers
Ranking Member
U.S. House Armed Service Committee
Washington, DC 20515

Dear Chairman Reed, Ranking Member Inhofe, Chairman Smith, and Ranking Member Rogers:

In anticipation of the Senate passing the Fiscal Year 2022 (FY22) *National Defense Authorization Act (NDAA)* following the Thanksgiving state work period, we, as members of the Senate Armed Services Committee, write to request that the final conference bill retain the text of the *SAFE Banking Act of 2021*. The House of Representatives has passed the *SAFE Banking Act* five times, most recently as an amendment to the NDAA, and we ask you to ensure that the text of that amendment remains in the final conference version of the bill to be considered by the House and the Senate.

The *Secure and Fair Enforcement Banking Act* (SAFE Banking Act), as included in the House-passed NDAA, would allow banks, credit unions, and other financial institutions to offer banking services to legally-operating cannabis businesses without fear of punishment by federal regulators. More than thirty states and the District of Columbia have legalized marijuana for medical use, and sixteen allow adult recreational use. However, financial institutions are often reluctant to transact with cannabis-related businesses, even in states that have some form of legalized cannabis, due to legal and regulatory risks arising from inconsistent federal and state laws. Allowing cannabis businesses operating legally and in compliance with state law to access financial services without federal reprisal would address public safety and compliance challenges, helping communities reduce cash-motivated crimes. Law enforcement organizations have publicly testified before Congress about the importance of moving large amounts of cash in the cannabis industry into the banking system, where accounts are monitored in accordance with existing federal anti-money laundering laws and the Bank Secrecy Act.¹ Enacting the *SAFE Banking Act* via the NDAA would support a rapidly growing industry that creates jobs, supports small businesses, and raises revenue in states that have chosen to legalize cannabis, while reducing safety risks.

¹ Testimony from Maj. Neill Franklin (Ret.), Baltimore City & Maryland State Police Departments on behalf of the Law Enforcement Action Partnership (LEAP). February 13, 2019.

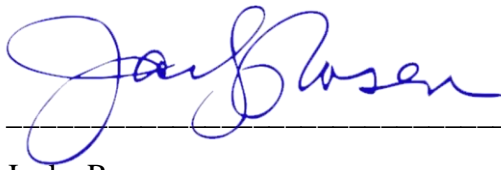
<https://financialservices.house.gov/uploadedfiles/hhrg-116-ba15-wstate-franklinm-20190213.pdf>

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The House of Representatives added the *SAFE Banking Act* as an amendment to the FY22 NDAA by voice vote and on September 23, 2021, passed the amended NDAA by a vote of 316 to 113. The standalone legislation on which the amendment is based previously passed the House of Representatives 321-101, garnering the support of more than three-quarters of the chamber and a majority of the members of each party. The bill's list of co-sponsors is also bipartisan in both the House and the Senate. Given the demonstrated broad support for this measure, we ask you to ensure that the text of the *SAFE Banking Act* remain in the forthcoming final conference version of the FY22 NDAA by the Senate receding to the House of Representatives on Title LIV of H.R.4350 (Sections 5401 through 5415). This will help cannabis-related businesses, create jobs, and strengthen public safety in our communities. We look forward to working with you on this important issue.

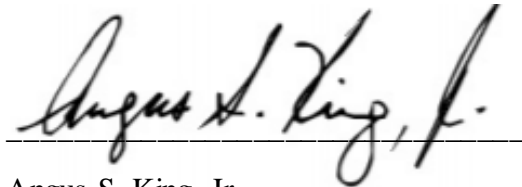
Sincerely,



Jacky Rosen
United States Senator



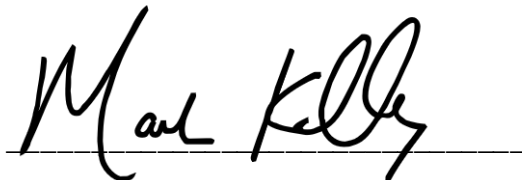
Gary C. Peters
United States Senator



Angus S. King, Jr.
United States Senator



Kevin Cramer
United States Senator



Mark Kelly
United States Senator