



October 20, 2022

The Honorable Charles E. Schumer
Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Mitch McConnell
Republican Leader
United States Senate
Washington, D.C. 20510

Scott Bedke
Speaker of the House
Idaho
President, NCSL

Anne Sappenfield
Director
Legislative Council
Wisconsin
Staff Chair, NCSL

Tim Storey
Chief Executive Officer
NCSL

Dear Leader Schumer and Leader McConnell:

On behalf of the National Conference of State Legislatures (NCSL), I write in support of the Secure and Fair Enforcement (SAFE) Banking Act of 2021 (H.R. 1996), as passed by the House in July, as an amendment to the FY 2023 National Defense Authorization Act (NDAA). Forty-seven states have approved some form of cannabis legalization, yet the conflict between state and federal cannabis law has created an untenable position for cannabis businesses in those states and for financial institutions that are hesitant to provide those businesses with financial services.

While NCSL supports a strong intergovernmental partnership to fight illicit drugs, the federal government must respect states' sovereignty where states have made a policy choice to legalize and regulate marijuana. The conflict between state and federal laws makes businesses in states that have legalized cannabis unable to utilize the country's banking system, forcing them to operate as cash-only entities. This reliance on cash makes cannabis businesses prime targets for theft, burglary, armed robbery and other property crimes. The bipartisan SAFE Banking Act of 2021 would create a safer environment for cannabis businesses and would allow financial institutions to provide banking services to legitimate state authorized cannabis-related businesses.

NCSL stands ready to provide further information regarding the impact of the SAFE Banking Act on states and to work with your offices to ensure final passage of the SAFE Banking Act.

Please contact NCSL staff Erlinda A. Doherty at (202) 247-1268 or by email at erlinda.doherty@ncsl.org with any questions or concerns.

Sincerely,

Tim Storey, Chief Executive Officer