



March 8, 2019

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R. Scott Heitkamp, *Immediate Past Chairman*  
Rebeca Romero Rainey, *President and CEO*

The Honorable Ed Perlmutter  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Denny Heck  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Warren Davidson  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Steve Stivers  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Representatives Perlmutter, Heck, Davidson, and Stivers:

On behalf of community banks across the country, with more than 52,000 locations, I write to thank you and the bipartisan group of your colleagues for introducing the Secure and Fair Enforcement Banking Act of 2019 (SAFE Banking Act), which would create a safe harbor from federal sanctions for financial institutions that serve cannabis-related businesses (CRBs) in states and other jurisdictions where cannabis is legal.

While cannabis remains illegal at the federal level, an increased number of states have legalized it for medical and/or recreational use. As these businesses continue to mature they require access to the traditional banking system, the conflict between state and federal law has created increasingly significant legal and compliance concerns for banks that wish to provide banking services to CRBs in jurisdictions where it is currently legal. Legal and regulatory uncertainty has curtailed access to the traditional banking system for CRBs and forced them to operate mostly in cash. Cash-only businesses, especially those with a high volume of revenue, pose a significant risk to public safety.

ICBA does not advocate for legalization of cannabis at the federal level or otherwise, but we do support the creation of an effective safe harbor from federal sanctions for banks that choose to serve CRBs in states and jurisdictions where these businesses are legal. The SAFE Banking Act would create such a safe harbor by providing that in jurisdictions where cannabis is legal federal banking regulators may not threaten or limit a bank's deposit insurance, downgrade a loan, prohibit or discourage the provision of banking services, or take any other prejudicial action solely because a bank customer is a CRB.

Thank you for introducing the SAFE Banking Act. We look forward to working with you to advance this important legislation.

Sincerely,

/s/

Rebeca Romero Rainey  
President & CEO

CC: Members of the House Committee on Financial Services

*The Nation's Voice for Community Banks.®*

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