

May 1, 2023

The Honorable Dave Joyce  
House of Representatives  
Washington, DC 20515

The Honorable Steve Daines  
U.S. Senate  
Washington, DC 20510

The Honorable Earl Blumenauer  
House of Representatives  
Washington, DC 20515

The Honorable Jeff Merkley  
U.S. Senate  
Washington, DC 20510

Dear Representatives Joyce and Blumenauer and Senators Daines and Merkley:

On behalf of the members of the Electronic Transactions Association (ETA), I am writing in support of the bipartisan Secure and Fair Enforcement Banking Act of 2021 (SAFE Banking Act). We appreciate your leadership on addressing the conflict between federal and state laws to allow states that have legalized medical or recreational use of cannabis to bring that commerce into the banking system.

ETA is the world's leading advocacy and trade association for the payments industry. Our members span the breadth of significant payments and fintech companies, from the largest incumbent players to the emerging disruptors in the U.S and in more than a dozen countries around the world. ETA members make commerce possible by processing approximately \$44 trillion annually in purchases worldwide and deploying payments innovation to merchants and consumers.

Forty-seven states, four U.S. territories, and the District of Columbia have legalized some form of recreational or medical cannabis, including CBD. Yet current law restricts legitimate licensed cannabis businesses from accessing financial industry services and products, resulting in businesses operating in all cash — posing a serious public safety risk for communities.

The conflict between state and federal laws forces businesses to operate on a cash-only basis and has created significant legal and compliance concerns for financial institutions that wish to provide banking services to cannabis related businesses in states where it is currently legal. The SAFE Banking Act would allow legitimate cannabis businesses to access the safety and security of the banking ecosystem in states that have legalized cannabis. Having access to the banking system is an important step toward enabling financial services for cannabis-related businesses and makes it easier for businesses to track revenues for taxation purposes, decreases a public safety threat as cash intensive businesses are often targets for criminal activity, and allows proper tracking of finances for BSA/AML compliance.

ETA takes no position on the legalization or decriminalizing cannabis at the state or federal level for medicinal or recreational uses. However, ETA does support legislation that would resolve the conflict between state and federal laws to allow financial institutions to serve cannabis related businesses in states where these businesses are legal under state law.



ETA is pleased to support the SAFE Banking and urges Congress to quickly consider this important issue. If you have any questions, please contact me or ETA's Executive Vice President, Scott Talbott at [stalbott@electran.org](mailto:stalbott@electran.org).

Sincerely,



Jeff Patchen  
Director of Government Affairs  
Electronic Transactions Association

