

September 19, 2023

The Honorable Chuck Schumer  
U.S. Senate  
Washington, DC 20510

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

The Honorable Cynthia Lummis  
U.S. Senate  
Washington, DC 20510

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

The Honorable Kyrsten Sinema  
U.S. Senate  
Washington, DC 20510

Dear Senators Schumer, Daines, Lummis, Merkley, and Sinema:

On behalf of the Electronic Transactions Association (ETA), I am writing to express our support for the *Secure and Fair Enforcement (SAFE) Banking Act of 2023*. 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 payments ecosystem.

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 and cannabis related businesses, including vendors, security firms, and owners, from accessing financial industry services and products, resulting in businesses operating in all cash — posing a significant public safety risk for communities.

The conflict between state and federal laws has forced cannabis and cannabis-related businesses to operate on a cash-only basis, which has created significant legal and compliance challenges for payment companies that wish to provide services to these 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 payments ecosystem in states that have legalized cannabis. Providing a mechanism for the cannabis industry to access the payments system would help those communities reduce cash-motivated crimes, increase the efficiency of tax collections, and improve the financial transparency of the cannabis industry — opportunities that are not available in a cash-only environment.



ETA takes no stance on the legalization or decriminalizing of cannabis at the state or federal level. However, we support the passage of legislation that would resolve the conflict between state and federal laws to allow payment companies to serve cannabis businesses and the ancillary businesses that are relied upon to operate in states where those businesses are legal under state law.

ETA is pleased to support the SAFE Banking Act 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

