



April 19, 2021

Via Email: [steve.thornton@mail.house.gov](mailto:steve.thornton@mail.house.gov)

The Honorable Katherine M. Clark  
2448 Rayburn House Office Building  
Washington, DC 20515

Dear Representative Clark:

I am writing on behalf of the Massachusetts Bankers Association's (MBA) more than 130 commercial, savings and cooperative banks and federal savings institution members with more than 72,000 employees located throughout the Commonwealth and New England, to thank you for cosponsoring H.R. 1996, the Secure and Fair Enforcement (SAFE) Banking Act, which is scheduled to be on the House floor later today. This bipartisan legislation, which passed the House on a vote of 321-103 last session, allows banks and other depository institutions to offer banking services to state-licensed cannabis-related businesses throughout the Commonwealth.

As you know, Massachusetts voters approved the legalization of medicinal cannabis sales in 2012 and adult-use sales in 2016. Since that time, the state's Cannabis Control Commission has licensed more than 220 cannabis businesses in the Commonwealth. There are also hundreds of ancillary businesses – landlords, tradespeople, and other vendors as well as the employees of businesses that derive all or part of their income from cannabis sales.

Unfortunately, with cannabis still illegal at the federal level, institutions that choose to serve these businesses are at risk of violating federal Bank Secrecy Act and anti-money laundering (BSA/AML) laws and face significant legal risks from federal law enforcement authorities. MBA believes that allowing banks to serve these businesses will promote transparency in the cannabis industry, simplify the tax collection process for local and state governments, and eliminate the public safety hazards of businesses dealing in large sums of cash.

The SAFE Banking Act provides a safe-harbor for banks to provide services to state-legal and licensed cannabis businesses. In addition to stating that proceeds from a legitimate cannabis business are not considered unlawful under federal money laundering statutes or any other federal law, the measure requires the Financial Crimes Enforcement Network (FinCEN) and the federal banking regulators to issue guidance and exam procedures for banks doing business with cannabis-related businesses.

On behalf of our member institutions, we ask that you support this important legislation when it comes to the floor of the House for a vote this afternoon. Thank you for your attention to this important issue. If you have any questions or need additional information, please contact [me](#) or [Jon Skarin](#) at the Association office.

Sincerely,



[Kathleen M. Murphy](#)  
President and CEO

Massachusetts Bankers Association  
One Washington Mall, 8th Floor  
Boston, Massachusetts 02108  
Tel: 617-523-7595  
Fax: 617-523-6373  
Direct: 617-502-3804  
[www.massbankers.org](http://www.massbankers.org)