



## CBAI Urges Support for the Bipartisan Secure and Fair Enforcement (SAFE) Banking Act

CBAI supports and urges the Illinois Congressional Delegation to co-sponsor the SAFE Act in the U.S. House and Senate. Our stance on this issue is very clear. Without taking a position on the legalization of cannabis, CBAI supports a safe harbor from federal sanctions for financial institutions that choose to serve legally compliant, cannabis-related businesses in states where cannabis is legal. Allowing these businesses access to the traditional banking system and its services, versus operating exclusively in cash, is a public safety issue.

This legislation is similar to bipartisan legislation that passed the House in the previous Congress (116th). Unfortunately, progress on the passage of that bill was stalled in the Senate Banking Committee over concerns from then Chairman Mike Crapo (R-ID). CBAI provided written responses to the chairman's many concerns, but the 116th Congress ended without Senate action on the bill.

Specifically, this legislation prevents federal banking regulators from:

- Prohibiting, penalizing or discouraging a bank from providing financial services to a legitimate, state-sanctioned and regulated cannabis business, or an associated business (such as a landlord or product/service provider to a legal cannabis business);
- Terminating or limiting a bank's federal deposit insurance solely because the bank is providing services to a state-sanctioned cannabis business or associated business;
- Recommending or incentivizing a bank to halt or downgrade providing any kind of banking services to these businesses; or
- Taking any action on a loan to an owner or operator of a cannabis-related business.

It is important to highlight that this bill will not require banks to provide financial services to the legal cannabis industry if they choose not to do so.

CBAI will continue its diligent efforts to ensure that community banks can provide traditional banking services to cannabis-related businesses in states where cannabis is legal.