



June 5, 2019

The Honorable Mike Crapo
Chairman
Senate Banking, Housing and Urban
Affairs Committee
Washington, D.C. 20510

The Honorable Sherrod Brown
Ranking Member
Senate Banking, Housing and Urban
Affairs Committee
Washington, D.C. 20510

Dear Chairman Crapo and Ranking Member Brown:

We, the undersigned State Credit Union Associations/Leagues (Leagues), which comprise the American Association of Credit Union Leagues (AACUL), join with the Credit Union National Association (CUNA) to express our strong desire for the Senate Banking, Housing, and Urban Affairs Committee to conduct hearings to discuss safe banking options for businesses operating in the legal cannabis industry. Our Leagues and CUNA represent credit unions across the nation and their 115 million members. We respectfully request that you include this letter in the official hearing record.

Currently, thirty-four states and the District of Columbia have medical cannabis programs, and ten states have recreational cannabis programs. The businesses that serve these jurisdictions are thriving and are expected to continue to grow at a fast pace. Although this industry seems to have reached critical mass for future operation, the legislative and regulatory frameworks have not kept pace. A discussion of proposed resolutions to these issues is warranted.

The lack of legal and regulatory guidance on banking for legitimate cannabis business has created a dangerous and costly environment for all involved since they now must operate on an almost all-cash basis. Not only do the employees have to transact with and transmit large amounts of cash daily, often tens of thousands of dollars at a time, but the states must also collect taxes and licensing fees in cash, which increases compliance and administrative costs for the state and the business. Since cannabis remains a schedule I drug, and legal cannabis businesses have trouble finding banking services, we urge you to move forward with hearings to explore remedies to these issues. We are in support of S. 1200 - Secure And Fair Enforcement Banking Act of 2019 (SAFE Act), the banking related provisions in S.1028 - The Strengthening the Tenth Amendment Through Entrusting States (STATES Act) and would generally support other similar measures that this committee may move forward with that would remedy the specific banking issues that we have outlined. There is no legitimate reason for Congress to postpone further discussion of, and action on, these genuine issues.

Credit unions always have and will continue to serve their members to the best of their abilities; however, a lack of guidance and a shaky legal foundation for working with

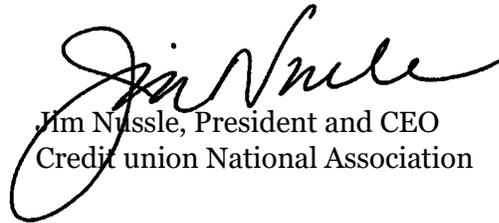
cannabis-related businesses make it very difficult for us to accomplish this mission. If the states continue to allow cannabis businesses to operate legally within their jurisdictions, of which we remain neutral on the issue, it only makes sense to allow for appropriate banking options. Once again, we urge you to move forward with hearings on safe and efficient banking options for the cannabis industry.

Thank you for your attention to our views, and we look forward to continued partnership moving forward.

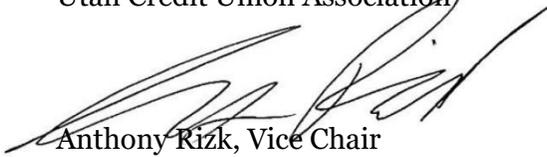
Sincerely,



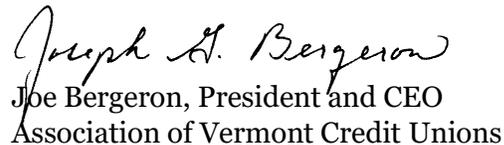
Scott Simpson, AACUJL Chairman &
President and CEO
Utah Credit Union Association



Jim Nussle, President and CEO
Credit Union National Association



Anthony Rizk, Vice Chair
Alaska Credit Union League



Joe Bergeron, President and CEO
Association of Vermont Credit Unions



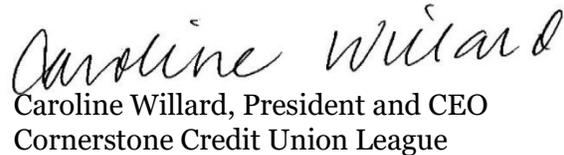
Diana Dykstra, President and CEO
California & Nevada Credit Union Leagues



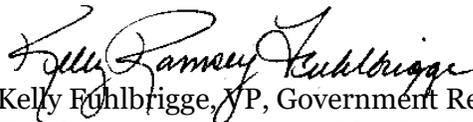
Dan Schline, President and CEO
Carolinas Credit Union League



Ron McLean, President and CEO
Cooperative Credit Union Association



Caroline Willard, President and CEO
Cornerstone Credit Union League



Kelly Fohlbrigg, VP, Government Relations
The Connecticut League of Credit Unions



Paul Stull, President and CEO
Credit Union Association of New Mexico



Jeff Olson, President and CEO
Credit Union Association of the Dakotas



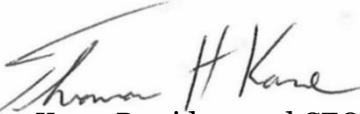
Mike Mercer, President and CEO
Georgia Credit Union Affiliates



Dennis Tanimoto, President and CEO
Hawaii Credit Union League



Brad Douglas, President and CEO
Heartland Credit Union Association



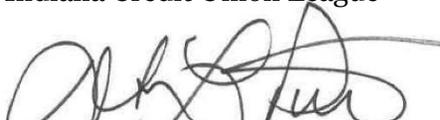
Tom Kane, President and CEO
Illinois Credit Union System



John McKenzie, President and CEO
Indiana Credit Union League



Murray Williams, President and CEO
Iowa Credit Union League



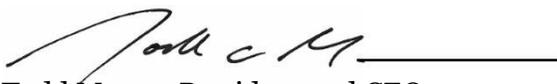
Debbie Painter, President and CEO
Kentucky Credit Union League



Patrick La Pine, President and CEO
League of Southeastern Credit Unions



Bob Gallman, President and CEO
Louisiana Credit Union League



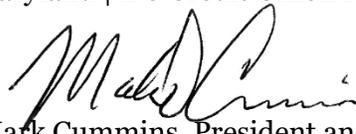
Todd Mason, President and CEO
Maine Credit Union League



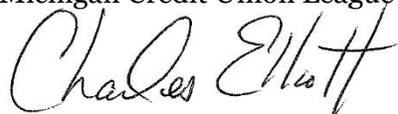
John Bratsakis, President and CEO
Maryland | DC Credit Union Association



Dave Adams, President & CEO
Michigan Credit Union League & Affiliates



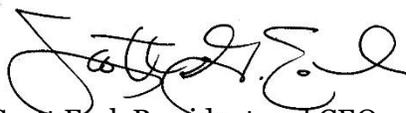
Mark Cummins, President and CEO
Minnesota Credit Union Network



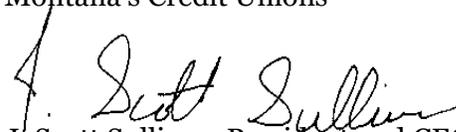
Charles Elliott, President and CEO
Mississippi Credit Union Association



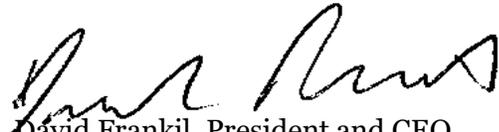
Tracie Kenyon, President and CEO
Montana's Credit Unions



Scott Earl, President and CEO
Mountain West Credit Union Association

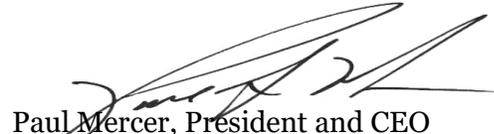


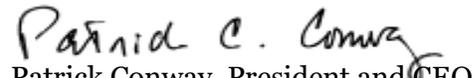
J. Scott Sullivan, President and CEO
Nebraska Credit Union League & Affiliates


David Frankil, President and CEO
New Jersey Credit Union League

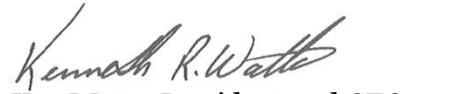

William Mellin, President and CEO
New York Credit Union Association


Troy Stang, President and CEO
Northwest Credit Union Association


Paul Mercer, President and CEO
Ohio Credit Union League


Patrick Conway, President and CEO
Pennsylvania Credit Union League


Rick Pillow, President and CEO
Virginia Credit Union League


Ken Watts, President and CEO
West Virginia Credit Union League


Brett Thompson, President and CEO
Wisconsin Credit Union League