



April 19, 2021

Representative

U.S. House of Representatives

Washington, DC 20515

Dear Representative:

On behalf of Family Research Council (FRC) and the families we represent, I urge you to vote against the *SAFE Banking Act* (H.R. 1996) sponsored by Rep. Ed Perlmutter (D-CO). This bill would allow financial institutions to accept federally illegal proceeds from the sale of marijuana, thus granting the marijuana industry direct access to banking. FRC will score against this bill if there is a recorded vote.

The Controlled Substances Act makes it unlawful for everyone, including banks, to handle controlled substances or the proceeds from their sale. This includes proceeds from the sale of marijuana. Banks are liable under the Bank Secrecy Act and Anti-Money Laundering laws to ensure that they and their customers are not engaged in any federally illegal activities. These laws provide a useful tool for law enforcement and ensure businesses are not fronts for laundering money derived from criminal activity.

States that have legalized marijuana-related business have pressured the Treasury Department to issue banking guidance to relax these restrictions. To do so would put the interests of a few pot dispensaries ahead of the legitimate law enforcement tools that benefit us all. For instance, relaxing these restrictions would give money laundering access to international drug cartels who are already using

marijuana legalization as a cover. It would also radically increase investment in the marijuana industry and make it easier for these businesses to manufacture high-potency and kid-friendly products.

At a time when illicit drug use is wreaking havoc on families and children, the last thing we need is the federal government financially supporting an industry that would normalize drug use in American culture and make drugs more widely available. Congress should continue to discuss and debate the risks associated with marijuana legalization prior to creating carveouts for big businesses and granting regulators rulemaking authority. That is why we urge you to oppose the *SAFE Banking Act*. FRC will score against this bill if there is a recorded vote.

Sincerely,

A handwritten signature in black ink, appearing to read "Travis Weber". The signature is fluid and cursive, with a large initial "T" and "W".

Travis Weber

Vice President for Policy and Government Affairs