



STATE OF COLORADO



STATE OF WASHINGTON

May 23, 2014

The Honorable Janet Yellen
Chairman
Board of Governors of the Federal Reserve
20th Street and Constitution Avenue, N.W.
Washington, DC 20551

The Honorable Martin J. Gruenberg
Chairman
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

The Honorable Thomas J. Curry
Comptroller of the Currency
Office of the Comptroller of the Currency
400 7th Street SW
Washington, DC 20219

The Honorable Debbie Matz
Chairman
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314

Dear Chairman Yellen, Chairman Gruenberg, Comptroller Curry, and Chairman Matz:

We write to request your timely response to a matter we have previously written to you about of importance and concern to the citizens of our states; one that with the ongoing sale of state licensed recreational marijuana in Colorado and the soon to begin sale of the same in Washington presents significant public safety issues for licensees, citizens and the public employees tasked with implementing state law.

On October 2, 2013, we addressed a joint letter to each of you (and in the case of Chairman Yellen, to your predecessor) and to Treasury Secretary Lew requesting the implementation of a policy of flexibility and enhanced due diligence in Bank Secrecy Act (BSA) reporting to the Financial Crimes Enforcement Network (FinCEN) under the Treasury Secretary's oversight, consistent with the eight (8) principles of the Justice Department's "Cole Memo" dated August 29, 2013.

Each of you (and in the case of Chairman Yellen, your predecessor) responded to the above-referenced October 2nd letter with a joint letter dated November 15, 2013, stating that "once the Justice Department and FinCEN agree upon an approach [to regulating banking services to state-licensed marijuana-related businesses], the Agencies [FRB, FDIC, OCC, and NCUA] will be able to consider whether guidance would be appropriate."

Since your joint November 15th letter as Federal Banking "Agencies," FinCEN and the Justice Department formally responded to our October 2nd joint letter and issued on February 14, 2014, respectively, FinCEN Guidance entitled "BSA Expectations Regarding Marijuana-Related

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Businesses” (FIN-2014-G001), and prosecutorial guidance directed to all United States Attorneys, both of which were consistent with the Cole Memo principles.

Banks and credit unions in Colorado and Washington are waiting for the Federal Banking Agencies to furnish the instructions given to bank and credit union examiners before deciding whether and how to provide banking services to state licensed recreational marijuana businesses. In the meantime, product sales have begun in Colorado and will soon begin in Washington, exposing all involved to the significant risks of criminal activity associated with accepting, storing and transporting large quantities of cash that can be ameliorated by access to the banking system.

In keeping with the indications in your November 15th letter, we respectfully request you expeditiously provide public, follow-up inter-agency guidance to both examiners and depository institutions in this area.

Sincerely,



John W. Hickenlooper
Governor of Colorado



Jay Inslee
Governor of Washington