



STATE OF WASHINGTON

May 2, 2022

The Honorable Chuck Schumer
Majority Leader
U.S. Senate
Washington, D.C. 20510

The Honorable Mitch McConnell
Minority Leader
U.S. Senate
Washington, D.C. 20510

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Kevin McCarthy
House Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

Re: Urging Passage of SAFE Banking Act

Dear Majority Leader Schumer, Minority Leader McConnell, Speaker Pelosi, and Minority Leader McCarthy:

On behalf of the state of Washington, we write urging you to pass the Secure And Fair Enforcement (SAFE) Banking Act of 2022.

In 2012, the state of Washington was a pioneer in legalizing adult-use marijuana. Since then, we have regulated our state's cannabis industry, carefully navigating the conflict between our laws and the federal Controlled Substances Act. With nearly eight years of legal retail sales complete, Washington's system has matured and become mainstream. In addition, in 2019, Governor Inslee began using his clemency relief powers through the Marijuana Justice Initiative to help rectify the disconnect between our state's current laws and those convicted for marijuana offenses no longer considered criminal. Most recently, Governor Inslee proposed, and our Legislature made, historic investments totaling \$200 million in a Community Reinvestment Program to provide grants to Washington communities disproportionately affected by economic and social disparities and inequitably enforced criminal laws and penalties for illegal drug sales, possession, and use.

However, we lack authority to provide one critical aspect needed to ensure the security of our cannabis industry – access to federally-insured banking services and electronic payment processing – namely credit and debit cards.

This has resulted in a limited number of financial service companies available to cannabis businesses. While we are making every effort to ensure our cannabis businesses are aware of these services, this restriction has become a catalyst for a very real public safety crisis in the state

of Washington. Many of our cannabis businesses still rely largely on cash transactions and have increasingly become targets for armed robbers. In the first two months of 2022, reports indicate that there have been more than 50 armed robberies of state-licensed cannabis retail stores. This surpasses the number of robberies in all of 2020 or 2021.

Videos of armed takeover-style robberies at retail stores are common in the news cycle. Each news story effectively educates more criminals about the cash-intensive nature of the industry, serving to add fuel to this fire. Not only have these robberies become more frequent, they have also become more violent. In March, an employee was shot dead. Earlier in the year, an employee was shot six times but survived. Others have been wounded, beaten, and threatened with automatic weapons. It is not hyperbole to call this a matter of life and death. The SAFE Banking Act could address this specific and urgent need by allowing cannabis retailers to use cashless payment options, such as credit and debit cards.

We applaud House passage of the Marijuana Opportunity Reinvestment and Expungement (MORE) Act and look forward to the introduction of the Cannabis Administration and Opportunity Act (CAOA) forthcoming from Senate leaders this month. Consideration of these bills is a great step forward for addressing the longstanding inequity that the federal prohibition on cannabis continues to perpetuate, and Congress should move swiftly to pass comprehensive reform. However, we understand the road to either of these measures becoming law is uncertain and will take time. Time is something Washingtonians being hurt by robberies in our cannabis businesses do not have.

While the House and Senate work together towards a vehicle that will address legalization and reform nationally, as we have already done in Washington, we urge you to act now on the SAFE Banking Act.

Lives have been lost and others continue to be at stake due to the ongoing public safety crisis in our state. We urgently need federal action to ensure that these legal businesses cease to be a target of violence.

Very truly yours,



Jay Inslee
Governor



Denny Heck
Lt. Governor



Bob Ferguson
Attorney General



Mike Pellicciotti
Treasurer