

## HOUSE RESOLUTION NO. 427

Reps. Rabhi, Stone, O'Neal, Rogers, Yancey, Aiyash, LaGrand, Cynthia Johnson, Cavanagh, Bellino and Pohutsky offered the following resolution:

1           A resolution to urge the United States Congress to enact  
2 legislation preventing federal regulators from sanctioning  
3 depository institutions for providing financial services to  
4 legitimate marijuana-related businesses in states where marijuana  
5 has been legalized.

6           Whereas, The medical and recreational marijuana industries are  
7 continually growing across the country, contributing billions of  
8 dollars to the economy. Many states have legalized the use of  
9 medical and/or recreational marijuana, while additional states may  
10 do so in the future; and

11           Whereas, Voters of the state of Michigan have approved the

1 legalization of regulated medical and recreational marijuana use;  
2 and

3       Whereas, Marijuana is still illegal under federal law,  
4 creating confusion and uncertainty in banking, taxation, and other  
5 matters. Because of the federal prohibition, there is an extreme  
6 risk to provide financial services to marijuana-related businesses  
7 and service providers, resulting in a cash-incentive industry. In  
8 turn, it is very difficult for such businesses to accept noncash  
9 payments from customers and make noncash payments to employees,  
10 suppliers, governments, and others; and

11       Whereas, The proliferation of cash in the marijuana industry  
12 has given rise to significant public safety risks, including in  
13 Michigan's communities. Holding large amounts of cash heightens the  
14 risk of robbery and violence; and

15       Whereas, Bringing the marijuana sector into the traditional  
16 financial services system is in the interest of the state and its  
17 residents. This development will increase public safety, grow the  
18 economy, and create jobs. Moreover, it will make transacting  
19 business with, and collecting taxes from, the marijuana industry  
20 easier. The federal government should respect the authority of  
21 Michigan and other states that have enacted policies concerning  
22 marijuana use; and

23       Whereas, The Secure and Fair Enforcement (SAFE) Banking Act of  
24 2021 has been introduced in the United States House of  
25 Representatives (H.R. 1996) and the United States Senate (S. 910)  
26 to provide safe harbor from federal regulators for depository  
27 institutions that provide financial services to marijuana-related  
28 businesses and service providers in states that exercise  
29 jurisdiction over the marijuana industry. The measure has received

1 bipartisan support; now, therefore, be it

2 Resolved by the House of Representatives, That we urge the  
3 United States Congress to enact legislation preventing federal  
4 regulators from sanctioning depository institutions for providing  
5 financial services to legitimate marijuana-related businesses in  
6 states where marijuana has been legalized; and be it further

7 Resolved, That copies of this resolution be transmitted to the  
8 President of the United States Senate, the Speaker of the United  
9 States House of Representatives, and the members of the Michigan  
10 congressional delegation.