



The Honorable Roy Blunt
260 Russell Senate Office Building
Washington, D.C. 20510

December 4, 2019

Sen. Blunt:

Shortly before the Thanksgiving holiday, hundreds of talented workers from across the state lined up to meet with prospective employers at Missouri's first round of medical cannabis job fairs, hosted by MoCannTrade.

Meeting with those job seekers as well as our members, the excitement, energy and anticipation over the arrival of an industry expected to create 4,000 new jobs and generate \$500 million in annual economic impact was downright infectious.

On behalf of this next generation of entrepreneurs, the hard-working Missourians they'll hire and do business with and, most importantly, the patients whom they will serve, I write to seek your support of the Secure and Fair Enforcement (SAFE) Banking Act. This landmark legislation, approved in a bipartisan, 321-103 vote by the U.S. House of Representatives in late September, would allow banks and insurance companies to serve state-legal marijuana businesses without fear of federal retaliation.

Currently, most banks refuse business with not only cannabis companies but also their service providers, who are operating legally under state law, for fear of legal penalties and the threat of federal regulators terminating their FDIC deposit insurance. The limited available banking for our industry is primarily provided by more volatile state-chartered banks and credit unions.

The SAFE Banking Act would alleviate many of these regulatory burdens, allowing banks to work with these businesses and cannabis business owners to open checking accounts, obtain credit cards, payroll services and otherwise basic operations that most businesses can far more easily acquire.

The legislation enjoys strong support from the financial sector, which is keenly aware of what the CEOs of the American Banking Association and the Credit Union National Association, in a recent Fox Business op-ed, termed a "divide between state and federal law that has turned (small businesses) into money launderers simply for accepting payment for their goods and services."



"This isn't just a cannabis industry problem," they write. "The ripples of this legal divide have the potential to disrupt the day-to-day business of our local economies, and hard-working small businesswomen and men who already face enough competitive business pressures."

With Senate Banking Committee Chair Sen. Mike Crapo hoping to soon hold hearings on this legislation, Missouri is potentially poised to become one of the first states where medical marijuana businesses have access to these critical financial services before retail dispensaries, cultivation sites and other facilities are operating.

It would be an enormous advantage to our state, and Missouri could mitigate many setbacks endured by others in cannabis-legal states.

As you know, nearly 1.6 million Missourians voted just over one year ago to approve medical marijuana as a safe and compassionate treatment option, making the new amendment to the Missouri Constitution the most popular issue or candidate on that ballot.

The Missouri Medical Cannabis Trade Association formed even before that election in anticipation of serving a critical role as the voice for the state's emerging industry. We work closely with patients, advocates, veterans, industry experts, medical professionals and state regulators to ensure Missouri's Department of Health and Senior Services (DHSS) can smoothly and effectively implement this new law and its attendant rules and regulations.

We hope to count on the support of both you and Sen. Blunt when the SAFE Banking Act receives Senate consideration, whether later this year or in early 2020. Missourians strongly support medical marijuana and want to see common-sense banking solutions. We believe it is in the best interest of your constituents and Missouri taxpayers that this new growing industry operate with safety, accountability and transparency. The SAFE Banking Act can help us do just that.

As the state's largest cannabis industry group, MoCannTrade is proud to be an effective and influential resource for the public, policymakers, regulators and the media when it comes to reliable, comprehensive information about our emerging Missouri industry. Please don't hesitate to have your staff reach out to us with any questions, and thank you for your continued commitment to public service and improving the lives of Missourians.

Sincerely,

Andrew Mullins

Executive Director | MoCannTrade (Missouri Medical Cannabis Trade Association)