

DOMESTIC AND INTERNATIONAL
TERRORISM DOCUMENTATION
AND ANALYSIS OF THREATS IN
AMERICA ACT

SPEECH OF

HON. BENNIE G. THOMPSON

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 2019

Mr. THOMPSON of Mississippi. Mr. Speaker, I include in the RECORD a letter endorsing H.R. 3106 from the Leadership Conference on Civil and Human Rights.

THE LEADERSHIP CONFERENCE
ON CIVIL AND HUMAN RIGHTS,
Washington, DC, September 26, 2019.

DEAR REPRESENTATIVE: On behalf of The Leadership Conference on Civil and Human Rights, a coalition of more than 200 national organizations committed to promoting and protecting the civil and human rights of all persons in the United States, we urge you to support the Domestic and International Terrorism Act (DATA Act) (H.R.3106).

Congress should use its oversight and appropriations power to demand that federal agencies make public how it is using its resources to fight white supremacist violence. Congress must pass pertinent legislation like the DATA Act to strengthen laws related to hate violence in this country. The DATA Act will provide Congress information about the federal government's approach to counterterrorism, including data on investigations and prosecutions.

We support the DATA Act because it promotes increased oversight of federal counterterrorism activities without creating enhanced authorities or resources like new offices.

The most recent data from FBI documented that hate crimes against African Americans, Latinos, the LGBTQ community, Native Americans, Jews, and Muslims all increased in 2017. Through the DATA Act, Congress has devised ways to improve federal and state responses to hate violence, including how to address FBI Hate Crime Statistics Act underreporting. The DATA Act comes at a crucial time, when too many people in this country feel unwelcome, unsafe, and marginalized due to acts of terror. There is little question that violence committed against individuals because of their race, religion, ethnicity, national origin, gender, gender identity, disability, or sexual orientation remains a serious problem in America. The DATA Act will study these current trends with the intention of combatting hate.

The Leadership Conference applauds Chairman Thompson for placing this key legislation on the suspension calendar for a House vote. The DATA Act will assist Congress in its efforts to elevate the fight against white supremacy and end a climate in which individual perpetrators feel emboldened to act.

Sincerely,

VANITA GUPTA,
President & CEO.

SECURE AND FAIR ENFORCEMENT
BANKING ACT OF 2019

SPEECH OF

HON. ED PERLMUTTER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 2019

Mr. PERLMUTTER. Madam Speaker, I include in the RECORD the following letters of

endorsement for H.R. 1595, the SAFE Banking Act.

September 24, 2019.

DEAR CONGRESSMAN PERLMUTTER: We, the undersigned U.S. trade associations, write to express support for the passage of H.R. 1595, the SAFE Banking Act of 2019, as amended, on the House Floor. Collectively, we represent a majority of the companies, agents, and brokers offering property-casualty, title, and reinsurance (collectively, "insurers") in the U.S. We appreciate your leadership in seeking needed clarity for insurance transactions related to cannabis that are otherwise permissible under state law.

The insurance industry is potentially exposed to liability arising from the differences of the legal treatment of cannabis and cannabis products under federal and state law and regulation at the state level. However, with the addition of key language from H.R. 4074, Clarifying Law Around Insurance Marijuana Act, sponsored by Representative Nydia Velázquez and Representative Steve Stivers, H.R. 1595's safe harbor provisions would prevent federal criminal prosecution of and civil liability for agents, brokers, and insurers, their officers, directors or employees when engaging in the business of insurance in states that have legalized cannabis in some form.

By resolving the legal uncertainty presented by the dueling state and federal treatment of cannabis, the insurance industry can serve both cannabis-related legitimate businesses (CRLBs) and other commercial and personal lines consumers who may have a direct or indirect relationship to state-legalized cannabis, and still be in compliance with the law. Insurers must also continue to satisfy all applicable state statutory or regulatory requirements, such as those pertaining to consumer protections and claims payments.

While the industry still needs additional clarifications to fully resolve the challenges presented by conflicting state and federal cannabis laws, H.R. 1595 is a significant and important step toward legal certainty for our industry.

Again, we greatly appreciate your leadership, and we look forward to continuing to work with you and Congress to ensure our industry is not caught between additional conflicting obligations under federal and state law.

Sincerely,

American Land Title Association (ALTA), American Property Casualty Insurance Association (APCIA), Independent Insurance Agents & Brokers of America (IIABA), National Association of Mutual Insurance Companies (NAMIC), National Association of Professional Insurance Agents (PIA), Reinsurance Association of America (RAA), Wholesale & Specialty Insurance Association (WSIA).

THE COUNCIL OF INSURANCE
AGENTS & BROKERS,

September 23, 2019.

Re Support for the SAFE Banking Act.

Hon. ED PERLMUTTER,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN PERLMUTTER: On behalf of The Council of Insurance Agents and Brokers ("The Council"), I write to express our strong support for the SAFE Banking Act. This bipartisan legislation, we believe, addresses long-standing obstacles to insurer and broker participation in the cannabis market. We urge Congress to pass this important legislation as soon as possible.

By way of background, The Council represents the largest and most successful em-

ployee benefits and property/casualty agencies and brokerage firms. Council member firms annually place more than \$300 billion in commercial insurance business in the United States and abroad. Council members conduct business in some 30,000 locations and employ upwards of 350,000 people worldwide. In addition, Council members specialize in a wide range of insurance products and risk management services for business, industry, government, and the public.

The need for legal cannabis insurance (spanning many lines of insurance and the entire cannabis supply chain) is only growing and many insurance businesses, including brokers, are anxious to enter the market. The primary obstacle to their entry has been and continues to be the threat of felonious liability under federal law. The Council therefore appreciates your efforts to address federal-law barriers.

The SAFE Banking Act will protect persons engaged in the business of insurance who offer insurance products and services to state-legalized cannabis businesses from liability under federal law. The bill, as amended to include insurance businesses, recognizes that insurance is as essential as banking—if not more so—to security, safety and transparency in the cannabis industry. Lack of insurance for the industry adds layers of unnecessary risk and exposure for businesses, their employees, and their customers.

Again, we very much appreciate your leadership on the SAFE Banking Act. We strongly support the bill and look forward to its passage as soon as possible.

Respectfully submitted,

KEN A. CRERAR,
President/CEO.

RURAL COUNTY REPRESENTATIVES
OF CALIFORNIA

Sacramento, CA, February 14, 2019.

Re Secure and Fair Enforcement Banking Act of 2019—SUPPORT.

Hon. ED PERLMUTTER,
Member, House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE PERLMUTTER: On behalf of the Rural County Representatives of California (RCRC), I write to express our support for your "Secure and Fair Enforcement Banking Act of 2019," (Safe Banking Act) which would liberalize our federal banking laws to allow cannabis-related businesses access to financial services. RCRC is an association of California's rural counties, and the RCRC Board of Directors is comprised of elected supervisors from our thirty-six member counties.

California has enacted laws allowing for both medical-use and adult-use of cannabis. In light of the actions of California and other states, it has become apparent there is a need to align federal and state laws when it comes to accessing the banking system. Unfortunately, there is a significant barrier to financial institutions who provide banking services to state- and locally-licensed cannabis businesses as they are subject to criminal prosecution for "aiding and abetting" a federal crime as well as money laundering.

Because current law restricts cannabis businesses from accessing banking services, businesses must operate in an "all cash" scheme, which poses a serious public safety risk. In addition to the Controlled Substances Act, there are a variety of federal banking laws (i.e. the Bank Secrecy Act) which impact the ability of banks to accept monies derived from activities involving cannabis. In February 2014, the Obama Administration issued guidance to financial institutions and the cannabis industry on how the Department of Justice would enforce banking laws related to cannabis. Despite

these guidance memos, most financial institutions refuse to bank cannabis activities and suggest that Congress enact statutes to liberalize the banking laws.

Access to banking remains one of the most significant hurdles facing the cannabis industry and state and local regulatory authorities. In essence, all cannabis-related financial activities are conducted in cash which translates into counties receiving property tax payments in cash, as well as any local regulatory fees and taxes. The current all-cash business also makes it extremely difficult to audit cannabis operators, as well as ensure compliance with various rules and regulations. Most importantly, the all-cash status presents enormous security challenges to all parties involved in the cannabis industry.

For these reasons, we are pleased to support your SAFE Banking Act. If you should have any questions, please contact me.

Sincerely,

PAUL A. SMITH,
Vice President, Governmental Affairs.

BRINK'S, INCORPORATED,
Dallas, TX, March 25, 2019.

Hon. MAXINE WATERS,
Chair, Committee on Financial Services, House of Representatives, Washington, DC.

Hon. PATRICK MCHENRY,
Ranking Member, Committee on Financial Services, House of Representatives, Washington, DC.

DEAR CHAIR WATERS AND RANKING MEMBER MCHENRY: On behalf of Brink's Incorporated, I wanted to share our strong support for H.R. 1595, the "Secure and Fair Enforcement Banking Act of 2019." We believe this legislation addresses much of the uncertainty in the financial services sector about banking and handling of funds sourced from state-regulated cannabis businesses in those states that have legalized cannabis, and helps move toward safer and more secure transport of the cash from those businesses and ultimately the banking of those funds. We wish to thank Representatives Perlmutter, Heck, Stivers and Davidson for their leadership on this issue.

As you may be aware, Brink's is the world's largest cash management company and the global leader in total cash management, secure route-based logistics and payment solutions including cash-in-transit, ATM services, cash management services (including vault outsourcing, money processing and intelligent safe services), and international transportation of valuables. The company has a legacy of 160 years in the business of safely and securely transporting valuables and cash—getting them where they need to be in the safest and most secure manner possible. We are also a vital partner to our customers like banks, helping with the logistics of transporting and processing cash.

Brink's does not take a position in favor or opposed to legalization of cannabis or marijuana. Like our bank customers, Brink's must also ensure that it follows federal laws such as requirements on anti-money laundering, and work with our customers subject to federal bank charters and laws and related statutes. These current ambiguity of these federal laws creates a significant barrier to safe handling of the cash generated by state-sanctioned cannabis businesses, because many banks believe they cannot accept funds from cannabis-related businesses in states that have legalized cannabis in some form, and because there are barriers to safely processing and delivering these funds. The public safety issue in states with legalized cannabis businesses is immediately apparent when thousands and even millions of dollars in cash are being stored and transported without adequate safeguards.

Brink's knows well that storage and transport of cash is a very serious issue, and safety and security are both paramount concerns. If H.R. 1595 were enacted, we believe the law would allow companies like Brink's to safely and securely transport cash to the bank customers in states that have legalized and regulated cannabis. It would ensure that the funds are deposited, traced and any suspicious activity reported to authorities.

Thank you for considering these comments, and for taking steps to address a safety and security issue in those states that have chosen to legalize and regulate cannabis for medical or recreational purposes. We look forward to working with the Committee on these issues and appreciate your consideration of Brink's view on this issue.

Sincerely,

MICHAEL F. BEECH,
*Executive Vice President,
Brink's, Incorporated.*

INTERNATIONAL COUNCIL OF
SHOPPING CENTERS,
New York, NY.

Hon. NANCY PELOSI,
*Speaker, House of Representatives,
Washington, DC.*

Hon. KEVIN MCCARTHY,
*Minority Leader, House of Representatives,
Washington, DC.*

Hon. MITCH MCCONNELL,
*Majority Leader, U.S. Senate,
Washington, DC.*

Hon. CHUCK SCHUMER,
*Minority Leader, U.S. Senate,
Washington, DC.*

Hon. MIKE CRAPO,
*Chairman, Senate Banking Committee,
Washington, DC.*

Hon. SHERROD BROWN,
*Ranking Member, Senate Banking Committee,
Washington, DC.*

DEAR SPEAKER PELOSI, LEADERS MCCARTHY, MCCONNELL, AND SCHUMER, CHAIRMAN CRAPO AND RANKING MEMBER BROWN: On behalf of the International Council of Shopping Centers (ICSC), I express strong support for H.R. 1595, the Secure and Fair Enforcement (SAFE) Banking Act, which would allow cannabis-related businesses (including retail tenants and their landlords) in states with existing regulatory structures to access the financial services system. The SAFE Banking Act's protections for ancillary businesses are critical for retail landlords considering leasing space to tenants operating in compliance with federal and state laws governing the emerging legalized cannabis and cannabidiol (CBD) market.

ICSC serves the global retail real estate industry. We provide our 70,000+ member network in over 100 countries with invaluable resources, connections and industry insights, and actively work together to shape public policy. ICSC does not have an official position on the legalization, decriminalization, or prosecution related to the use of cannabis products or illicit drugs. Our support of H.R. 1595 reflects growth in the marketplace associated with numerous states' efforts to legalize cannabis, both recreationally and medically, and the avoidable challenges associated with the unresolved liability to financial institutions and other ancillary businesses related to the broad authority of the Controlled Substances Act.

A total of 34 states, District of Columbia, Guam, Puerto Rico and U.S. Virgin Islands have sanctioned comprehensive, publicly available medical marijuana/cannabis programs. Approved efforts in 12 states allow use of "low THC, high cannabidiol (CBD)" products for medical reasons in limited situations or as a legal defense. Meanwhile, hundreds of licensed and regulated businesses do not have access to the banking or insurance

services and are unable to accept credit cards, deposit revenues, or make use of bank checks to pay rent, payroll, or taxes.

H.R. 1595 would prevent federal banking regulators from punishing banks for working with cannabis-related businesses that are obeying state laws, taking legal action on loans made to those businesses and related businesses, or limiting a depository institution's access to the Deposit Insurance Fund. The bill would also require the Financial Institution Examination Council to develop guidance to help credit unions and banks understand how to lawfully serve cannabis businesses. If enacted, banks would no longer face the threat of federal sanction for working with cannabis-related businesses, including tenants of retail real estate spaces.

Importantly, H.R. 1595 would also protect ancillary businesses, such as commercial landlords and brokers that lease space to cannabis retailers, from being charged with money laundering and other financial crimes. Protections under Section 3 of the bill specifically extend to landlords who may rent or lease to cannabis-related businesses operating within state law. While challenges will remain, this legislation will address the growing legal and financial liabilities for those who accept these businesses as tenants in retail real estate properties.

We look forward to working with you and your colleagues on this narrowly-tailored bill that balances public safety with the needs of the emerging legalized cannabis product market. We look forward to working with you on this very important matter.

Sincerely,

BETSY LAIRD,
*Senior Vice President,
Global Public Policy.*

MINORITY CANNABIS
BUSINESS ASSOCIATION,
August 20, 2019.

Re Minority Business Leaders Call for Support of the SAFE Banking Act of 2019.

Majority Leader STENY HOYER,
Washington, DC.

DEAR MAJORITY LEADER HOYER: I am writing on behalf of the Minority Cannabis Business Association (MCBA) in support of the SAFE Banking Act of 2019 which provides a critical first step towards developing an equitable federal cannabis framework. MCBA represents more than 200 minority-owned businesses, entrepreneurs and community leaders from across the United States seeking to create an equitable and responsible cannabis industry. We are the only national trade association dedicated to serving the needs of the minority cannabis businesses and communities disproportionately affected by the lack of access to banking products and services.

Minority-owned businesses make up less than one-fifth of all cannabis businesses. The lack of access to capital is cited as the primary reason for this disparity. Despite benefiting from the aura of diversity surrounding cannabis and the political will of people of color, the industry is overwhelmingly white.

The generations long War on Drugs and systemic economic suppression have made it difficult for minority entrepreneurs to accumulate and access the inter-generational wealth that provides a significant portion of the financing necessary to enter legal cannabis markets. The prohibitive cost of starting a cannabis business, combined with the lack of access to traditional small business financial services, forces entrepreneurs to partner with investors who tend to favor high yield investments and majority-ownership.

Some states and municipalities have created equity programs aimed to facilitate industry participation by those most impacted

by the failed War on Drugs. Unfortunately, these programs are undermined, if not rendered moot, by the lack of access to capital. Traditional funding sources are unavailable to cover the extraordinary start-up costs including license application fees commonly exceeding tens of thousands of dollars and some states require millions in cash escrow or bond. This leaves state equity licensees vulnerable to predatory lending and business practices. Equity applicants and owners give up the rights and benefits of ownership for access to much needed funds and a chance at success. The SAFE Banking Act addresses how current banking laws codify the disproportionately high cost of financing paid by minorities and create inequitable barriers to entry and success.

Furthermore, the large cash transactions, necessary without access to banks, create dangerous burdens for consumers, patients, employees, business owners and their communities. Patients and consumers must carry cash for purchases. Employees and business-owners both bear the risk of

transacting in, storing, and transporting staggering sums of cash. Communities then share the risk created by this cash economy. These risks are amplified in communities with higher crime rates, limited resources, and inconsistent law enforcement. Commonly, these communities have higher concentrations of dispensaries. The number of dispensaries places an undue burden on vulnerable communities and business owners seeking to provide revenue, income, and investment in communities where it is most needed.

MCBA asks you to join us in support of the SAFE Banking Act which addresses the unique business challenges of the cannabis industry that disproportionately impact minority business-owners and our communities. In addition to providing access to capital, the SAFE Banking Act includes additional equity study and data requirements. Federal regulators would be required to provide annual reports to Congress on the availability of access to financial services for minority-owned cannabis businesses and Gov-

ernment Accountability Office (GAO) would be required to carry out a study on the barriers to marketplace entry for minority-owned cannabis businesses. These provisions would provide information to help build an equitable legal cannabis framework.

MCBA urges swift action for the minority entrepreneurs who cannot wait for banking, as market-share is divided among the thirty-percent of well-capitalized big cannabis businesses with access to non-traditional financing. As we work toward legalization and our greater equity goals, we must ensure that generational financial inequities do not continue to shape and color the face of the cannabis industry.

We welcome the opportunity to engage with your office on these issues. Please feel free to contact us for more information or if we may be of any assistance on these matters.

Sincerely,

SHANITA PENNY,

President,

Minority Cannabis Business Association.