



NATIONAL FRATERNAL ORDER OF POLICE®

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CHUCK CANTERBURY
NATIONAL PRESIDENT

JAMES O. PASCO, JR.
EXECUTIVE DIRECTOR

28 March 2019

The Honorable Maxine M. Waters
Chairman
Committee on Financial Services
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Patrick T. McHenry
Ranking Member
Committee on Financial Services
U.S. House of Representatives
Washington, D.C. 20515

Dear Madam Chairman and Representative McHenry,

I am writing on behalf of the members of the Fraternal Order of Police to advise you of our opposition to H.R. 1595, the "Secure and Fair Enforcement (SAFE) Banking Act," because it would allow financial institutions to do business with an industry that is trafficking in an illegal substance—marijuana.

Under the Controlled Substances Act, marijuana is a Schedule I drug and is classified as such because of the high potential for abuse and because there is no accepted medical use for marijuana that is recognized by the Federal government.

In 1998, the National Fraternal Order of Police was among the first national organizations to oppose State and local efforts to legalize this dangerous drug. Despite consistent and vigorous opposition from the FOP as well as other law enforcement, public safety and public health organizations, certain States have legalized the use, sale, production and possession of marijuana for recreational and purported medicinal reasons which is at variance with existing Federal law. At the FOP National Conference in 2017, our members passed a resolution reaffirming our support for the prohibition of marijuana.

Public safety is threatened by the growing use of marijuana nationwide, and States which have elected to disregard the Federal prohibition on this drug have not been able to mitigate the black market in their own jurisdictions or prevent trafficking into and from other States. Giving these drug-related businesses access to the U.S. financial system will exacerbate these problems and take away an important tool for law enforcement. Federal banking laws are routinely employed by law enforcement to combat criminal and terrorist networks which use our financial institutions to launder money from illegal enterprises.

It is particularly concerning that Section 6 of the bill as introduced seems to direct the Financial Crimes Enforcement Network (FinCEN) at the U.S. Department of the Treasury to establish different guidelines for the filing of Suspicious Activity Reports (SARs) if they are related to the marijuana industry. The Federal government should not have two standards for SARs—one for

—BUILDING ON A PROUD TRADITION—

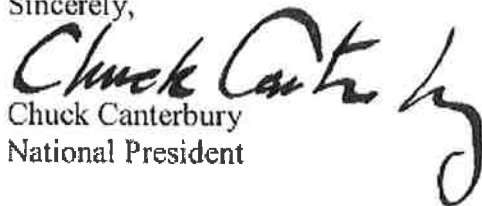
legitimate businesses and one for those dealing in a controlled substance. By changing the SARs requirements, we increase the risk that our financial institutions will be abused or used for illicit purposes.

Marijuana, like any illegal drug, is a risk to public safety. It is intrinsically linked to the violence of drug trafficking and is not "harmless." Efforts to allow access to the banking system for the illegal marijuana industry creates a dangerous precedent that could allow access for other criminal activity and Schedule I drugs. The vicious drug cartels who push marijuana through our borders will be given the opportunity to launder money under the guise of marijuana normalization, effectively creating a privileged class of narcotics traffickers. Providing an industry that is distributing a controlled substance is not "SAFE Banking," it is abetting a Federal crime.

We urge all members of the Committee to reject H.R. 1595—the risk to public safety and health is just too great.

On behalf of the more than 345,000 members of the Fraternal Order of Police, thank you for considering our views on this issue. If I can be of any further assistance to you, please do not hesitate to contact me or Executive Director Jim Pasco, in my Washington office.

Sincerely,

A handwritten signature in black ink that reads "Chuck Canterbury". The signature is written in a cursive, slightly slanted style. The first name "Chuck" is written in a larger, more prominent script than the last name "Canterbury".

Chuck Canterbury
National President