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The Honorable Nydia Velázquez  
Chairwoman  
House Committee on Small Business  
Washington, DC 20515

The Honorable Steve Chabot  
Ranking Member  
House Committee on Small Business  
Washington, DC 20515

Chairwoman Velázquez and Ranking Member Chabot,

On behalf of America's credit unions, thank you for holding the hearing entitled, "Unlocked Potential? Small Businesses in the Cannabis Industry" The Credit Union National Association (CUNA) represents America's credit unions and the 115 million members that they serve.

Credit unions and other financial institutions operating in states where cannabis is legal risk serving cannabis-related businesses even without directly accepting them as clients. Indirect connections to cannabis revenue are exceptionally difficult, if not impossible to identify and avoid. The simple reality is that the cannabis industry does not operate in a vacuum and is dependent on main street businesses. These include the office supply company that provides copy paper, the landlord that rents office space, or even the utility company providing electricity and water. Under the existing regime, a credit union or financial institution that does business with any one of these companies would be violating federal law.

Without access to mainstream banking services, cannabis businesses and the businesses indirectly related to them are less able to obey the law, pay taxes, and follow state regulations. The public safety risks posed by these businesses are easily mitigated through access to mainstream banking services and keeping the cash off the streets.

It is our belief that Congress should provide a safe harbor for financial institutions that serve state-sanctioned cannabis or cannabis related businesses from criminal.

On behalf of America's credit unions and their 115 million members, thank you for the opportunity to share our views.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Nussle", is written over a printed name and title.

Jim Nussle  
President & CEO