



## PRESS RELEASE

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### **Attorney General Frosh Joins 18 Attorneys General in Calling for Banking Legislation for Legalized Use of Marijuana**

**BALTIMORE, MD (January 16, 2018)** – Maryland Attorney General Brian E. Frosh today joined a coalition of attorneys general urging Congress to advance legislation allowing states with legalized medical or recreational marijuana to bring that commerce into the banking system. Banks and other depository institutions are currently hindered by federal law from providing financial services to marijuana businesses, even in states where those businesses are regulated.

The [letter](#), sent to congressional leaders, requests legislation that would provide a legal “safe harbor” for depository institutions that provide a financial product or service to a covered business in a state that regulates its marijuana industry.

“Twenty-nine states and several U.S. territories have legalized the medical use of marijuana. Among those, eight states and the District of Columbia also allow recreational use by adults over 21 years of age. However, because federal government classifies marijuana as an illegal substance, banks providing services to state-licensed cannabis businesses could find themselves subject to criminal and civil liability under the Controlled Substances Act and certain federal banking statutes,” the letter states.

The attorneys general also note a recent decision by the U.S. Department of Justice to rescind guidance outlining how financial institutions could provide services to state-licensed marijuana businesses consistent with federal law. That rescission, the attorneys general argue, has made even more urgent the need for congressional action to get the cash generated by this industry into a regulated banking sector.

The requested legislation would not only protect public safety by bringing gray-market financial activities into the banking sector and thus subject to law enforcement monitoring, but would also result in billions of dollars infused into the banking industry.

Joining Attorney General Frosh in today’s letter are attorneys general from Alaska, California, Colorado, Connecticut, District of Columbia, Guam, Hawaii, Illinois, Iowa, Maine, Massachusetts, New Mexico, New York, North Dakota, Oregon, Pennsylvania, Vermont, and Washington.