







Colorado

OREGON WASHINGTON

April 3, 2017

Attorney General Jeff Sessions U.S. Department of Justice 950 Pennsylvania Ave., NW Washington, DC 20530 Secretary Steve Mnuchin U.S. Department of the Treasury 1500 Pennsylvania Ave., NW Washington, DC 20220

Attorney General Sessions and Secretary Mnuchin:

As governors of states that have legalized marijuana in some form, we ask the Trump Administration to engage with us before embarking on any changes to regulatory and enforcement systems. The balance struck by the 2013 Department of Justice Cole Memorandum (Cole Memo) has been indispensable – providing the necessary framework for state regulatory programs centered on public safety and health protections.

We understand you and others in the administration have some concerns regarding marijuana. We sympathize, as many of us expressed apprehensions before our states adopted current laws. As governors, we have committed to implementing the will of our citizens and have worked cooperatively with our legislatures to establish robust regulatory structures that prioritize public health and public safety, reduce inequitable incarceration and expand our economies.

The Cole Memo and the related Financial Crimes Enforcement Network (FinCEN) guidance provide the foundation for state regulatory systems and are vital to maintaining control over marijuana in our states. Overhauling the Cole Memo is sure to produce unintended and harmful consequences. Changes that hurt the regulated market would divert existing marijuana product into the black market and increase dangerous activity in both our states and our neighboring states. Likewise, without the FinCEN guidance, financial institutions will be less willing to provide services to marijuana-related businesses. This would force industry participants to be even more cash reliant, posing safety risks both to the public and to state regulators conducting enforcement activity. The Cole Memo and FinCEN guidance strike a reasonable balance between allowing the states to enact reasonable regulations and the federal government's interest in controlling some of the collateral consequences of legalization.

Attorney General Jeff Sessions Secretary Steve Mnuchin April 3, 2017 Page 2

Twenty-eight states, representing more than 60 percent of Americans, have authorized some form of marijuana-related conduct. As we face the reality of these legalizations, we stand eager to work with our federal partners to address implementation and enforcement concerns cooperatively. The Cole Memorandum and the associated FinCEN guidance are critical to the success of any collaboration.

We look forward to working with you and your administration. We stand ready to have further discussion on how these important federal policies work in our states.

Sincerely,

Bill Walker

Governor State of Alaska

Bill Walher

Kate Brown Governor

State of Oregon

John Hickenlooper

Governor

State of Colorado

Jay Inslee Governor

State of Washington