

**HOUSE JOINT RESOLUTION NO. 14**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-SECOND LEGISLATURE - FIRST SESSION

**BY REPRESENTATIVES RASMUSSEN, Kreiss-Tomkins, Hopkins, Schrage, Drummond, LeBon, McCarty, McCabe, Prax**

**Introduced: 3/5/21**

**Referred: Community and Regional Affairs**

**A RESOLUTION**

1    **Supporting the passage by the United States Congress of the SAFE Banking Act of 2019,**  
2    **sec. 110606 of the Heroes Act, or similar legislation relating to cannabis-related**  
3    **legitimate businesses' access to financial services.**

4    **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5            **WHEREAS**, on November 4, 2014, residents of the state voted to legalize cannabis,  
6    approving Ballot Measure No. 2, "An Act to tax and regulate the production, sale, and use of  
7    marijuana"; and

8            **WHEREAS** the state has prioritized the federal cannabis enforcement objectives  
9    identified in the August 29, 2013, memorandum from the United States Department of Justice  
10   to all United States Attorneys, including preventing the distribution of cannabis to minors,  
11   preventing revenue from the sale of cannabis from going to criminal enterprises, gangs, and  
12   cartels, preventing the diversion of cannabis from states where cannabis is legal in some form  
13   under state law to other states, preventing state-authorized cannabis activity from being used  
14   as a pretext for the trafficking of illegal drugs or other illegal activity, preventing violence and  
15   the use of firearms in the cultivation and distribution of cannabis, preventing drugged driving

1 and the exacerbation of other adverse public health consequences associated with cannabis  
2 use, preventing the growing of cannabis on public land and the attendant public safety and  
3 environmental dangers posed by cannabis production on public land, and preventing cannabis  
4 possession or use on federal property; and

5 **WHEREAS** the state has implemented regulations that respect and support the federal  
6 priorities listed in the August 29, 2013, memorandum from the United States Department of  
7 Justice; and

8 **WHEREAS**, on January 16, 2018, Alaska Attorney General Jahna Lindemuth and the  
9 attorneys general of 18 other states, districts, and territories sent a letter urging the United  
10 States Congress to advance legislation allowing states that have legalized medical or  
11 recreational use of cannabis to bring legal cannabis-related commerce into the banking  
12 system; and

13 **WHEREAS**, on January 18, 2018, United States Senators Lisa Murkowski and Dan  
14 Sullivan joined 14 other senators from around the country in submitting a letter to the Director  
15 of the United States Department of the Treasury's Financial Crimes Enforcement Network  
16 expressing continuing support for 2014 Financial Crimes Enforcement Network guidance on  
17 Bank Secrecy Act expectations regarding cannabis-related businesses; and

18 **WHEREAS**, on March 7, 2019, after meeting with industry stakeholders in Alaska,  
19 United States Congressman Don Young, Co-Chair of the Congressional Cannabis Caucus,  
20 signed on as a cosponsor of H.R. 1595, the Secure and Fair Enforcement Banking Act of  
21 2019, also referred to as the SAFE Banking Act of 2019; and

22 **WHEREAS**, on May 8, 2019, Alaska Attorney General Kevin G. Clarkson and the  
23 attorneys general of 37 other states, districts, and territories sent a letter urging the United  
24 States Congress to advance legislation allowing states that have legalized medical or adult use  
25 of cannabis to bring legal cannabis-related commerce into the banking system; and

26 **WHEREAS**, on September 25, 2019, United States Congressman Don Young voted  
27 with a bipartisan majority in the United States House of Representatives, passing the SAFE  
28 Banking Act of 2019 and clearing the Act for consideration in the Senate; and

29 **WHEREAS** the SAFE Banking Act of 2019 was inserted into sec. 110606 of H.R.  
30 6800, referred to as the Heroes Act, which, on May 15, 2020, was passed by a bipartisan  
31 majority in the United States House of Representatives; and

1       **WHEREAS** sec. 1(b) of the SAFE Banking Act of 2019 and sec. 110606(a)(2) of the  
 2       Heroes Act explain that the purpose of each is "to increase public safety by ensuring access to  
 3       financial services to cannabis-related legitimate businesses and service providers and reducing  
 4       the amount of cash at such businesses"; and

5       **WHEREAS** the SAFE Banking Act of 2019 and the Heroes Act provide, among other  
 6       protections, a safe harbor for depository institutions for providing financial services to a  
 7       cannabis-related legitimate business or service provider; and

8       **WHEREAS** the SAFE Banking Act of 2019 and the Heroes Act provide that "[f]or  
 9       the purposes of sections 1956 and 1957 [money laundering] of title 18, United States Code,  
 10      and all other provisions of Federal law, the proceeds from a transaction involving activities of  
 11      a cannabis-related legitimate business or service provider shall not be considered proceeds  
 12      from an unlawful activity solely because . . . the transaction involves proceeds from a  
 13      cannabis-related legitimate business or service provider"; and

14      **WHEREAS** the SAFE Banking Act of 2019 and the Heroes Act provide that  
 15      depository institutions or insurers that provide financial services to cannabis-related legitimate  
 16      businesses or service providers and the officers, directors, and employees of depository  
 17      institutions or insurers may not be held liable under any federal law or regulation solely for  
 18      providing the financial service or for further investing any income derived from the financial  
 19      services; and

20      **WHEREAS** the SAFE Banking Act of 2019 and the Heroes Act do not endorse any  
 21      state's, district's, or territory's specific approach to the legalization of cannabis-related  
 22      transactions and in no way endorse the legalization of medical or retail cannabis in  
 23      jurisdictions that choose not to legalize medical or retail cannabis; and

24      **WHEREAS**, without federal legislation allowing states that have legalized medical or  
 25      adult use of cannabis to bring legal cannabis-related commerce into the banking system, the  
 26      tracking of revenue for taxation and regulatory compliance purposes is more difficult; and

27      **WHEREAS** the inability to properly track the billions of dollars in legal cannabis-  
 28      related sale proceeds compromises the safety and soundness of the nation's financial system  
 29      by allowing the unmonitored entry of illicit funds into the financial system; and

30      **WHEREAS** the threat to public safety increases with cash-intensive businesses  
 31      because cash-intensive businesses are often the targets of criminal activity; and

1       **WHEREAS** the cannabis industry continues to grow rapidly, with analysts estimating  
2 the current industry value at \$8,300,000,000, projected to increase to \$25,000,000,000 by  
3 2025; and

4       **WHEREAS**, regardless of policy views on states' permitting the medical or adult use  
5 of cannabis, the current situation necessitates federal rules that provide for bringing legal  
6 cannabis-related commerce into the banking system;

7       **BE IT RESOLVED** that the Alaska State Legislature urges the federal government to  
8 adopt the SAFE Banking Act of 2019, sec. 110606 of the Heroes Act, or similar legislation  
9 that would provide a safe harbor for depository institutions that provide financial products or  
10 services to legal cannabis-related businesses or service providers in states that have  
11 implemented laws and regulations legalizing cannabis for medical or adult use.

12       **COPIES** of this resolution shall be sent to the Honorable Joseph R. Biden, President  
13 of the United States; the Honorable Lisa Murkowski and the Honorable Dan Sullivan, U.S.  
14 Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska  
15 delegation in Congress; and all other members of the 117th United States Congress.