



NATIONAL FRATERNAL ORDER OF POLICE

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13 July 2022

The Honorable Nancy P. Pelosi
Speaker of the House
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Kevin O. McCarthy
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

Dear Madam Speaker and Representative McCarthy,

I am writing on behalf of the members of the Fraternal Order of Police to advise you of our strong opposition to Amendment #107 offered by Representative Edwin G. Perlmutter (D-CO), to H.R. 7900, the "National Defense Authorization Act for Fiscal Year 2023." The amendment would insert the text of H.R. 1996, the "Secure and Fair Enforcement (SAFE) Banking Act," into H.R. 7900 and we urge the Members of the House to reject it.

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. The language of this amendment to H.R. 7900 would allow financial institutions to do business with an industry that is trafficking in an illegal substance—marijuana.

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, some 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 unanimously adopted a resolution reaffirming our support for the prohibition of marijuana.

Public safety is threatened by the growing use of marijuana nationwide, and States that have elected to disregard the Federal prohibition on this drug have not been able to mitigate the black market in their 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 language in the amendment seems to direct the Financial Crimes Enforcement Network (FinCEN) at the U.S. Department of the

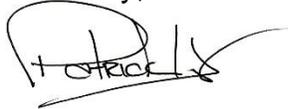
Treasury to establish different guidelines for the filing of Suspicious Activity Reports (SARs) if they are related to the marijuana industry. The Federal government should not have two standards for SARs—one for legitimate businesses and one for those dealing in a controlled substance. By changing the 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 create a dangerous precedent that could allow access to other criminal activity and Schedule I drugs. The vicious drug cartels who push marijuana through our borders will have 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 with access to our financial institutions is not “SAFE Banking”—it is abetting a Federal crime.

We urge Congress to reject the inclusion of the “SAFE Banking Act” into the “National Defense Reauthorization Act for Fiscal Year 2023”—the risk to public safety and health is just too great.

On behalf of the more than 364,000 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 our Washington office.

Sincerely,

A handwritten signature in black ink, appearing to read 'Patrick Yoes', with a stylized flourish extending to the right.

Patrick Yoes
National President

cc: The Honorable Steny H. Hoyer, Majority Leader, U.S. House of Representatives
The Honorable Steven J. Scalise, Minority Whip, U.S. House of Representatives