
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE RESOLUTION

No. 49 Session of
2019

INTRODUCED BY STREET, FOLMER, FARNESE, COLLETT, LEACH, SCHWANK
AND BREWSTER, MARCH 28, 2019

REFERRED TO BANKING AND INSURANCE, MARCH 28, 2019

A RESOLUTION

1 Urging the President and the Congress of the United States to
2 enact H. Res. 1595 or similar legislation to remove the
3 obstacles preventing financial institutions from providing
4 banking services to cannabis-related businesses operating
5 under state law.

6 WHEREAS, Thirty-four states, the District of Columbia, Guam,
7 Puerto Rico and the U.S. Virgin Islands authorize some form of
8 medical cannabis; and

9 WHEREAS, In April 2016, the General Assembly and Governor
10 enacted the act of April 17, 2016 (P.L.84, No.16), known as the
11 Medical Marijuana Act, to authorize the growing, processing,
12 dispensing and use of medical cannabis in this Commonwealth; and

13 WHEREAS, As of February 2019, Pennsylvania's Medical
14 Marijuana Program and its nearly 1,460 certifying physicians is
15 providing more than 116,000 registered patients and 83,000
16 certified patients with identification cards with life-
17 threatening, painful or debilitating medical conditions,
18 including cancer, chronic pain, post-traumatic stress disorder,
19 HIV/AIDS, Parkinson's disease, epilepsy and other seizure

1 disorders, with the opportunity to access medical cannabis that
2 would provide them with relief from those serious medical
3 conditions; and

4 WHEREAS, After undergoing an extensive review process, the
5 Department of Health issued all 25 grower/processor permits and
6 50 dispensaries, of which 12 grower/processor and 45 dispensary
7 locations are already operational; and

8 WHEREAS, In its first year of operation, medical cannabis was
9 dispensed over 600,000 times to Pennsylvania patients,
10 generating \$132 million in total sales and \$2 million in tax
11 revenue so far; and

12 WHEREAS, Many more medical cannabis businesses supporting
13 Pennsylvania's program are providing significant economic value
14 to the Commonwealth, creating jobs and developing life-
15 sustaining medical cannabis strains; and

16 WHEREAS, The ongoing conflict of Federal and state law,
17 together with the lack of Congressional action on this issue,
18 has left this Commonwealth's cannabis-related businesses with
19 millions of dollars in revenue but no access to banking
20 services; and

21 WHEREAS, The United States Department of Justice and the
22 Financial Crimes Enforcement Network (FinCEN) of the Department
23 of the Treasury issued guidance memorandums in 2014 in order to
24 provide the states and financial institutions with some
25 direction on this Federal-state law conflict by clarifying
26 Federal prosecutors' priorities with respect to Federal
27 cannabis-related financial crimes and clarifying how financial
28 institutions can provide services to cannabis-related businesses
29 consistent with their obligations under the Federal Bank Service
30 Company Act with the explicit purpose of enhancing the

1 availability of financial services for, and the financial
2 transparency of, cannabis-related businesses; and

3 WHEREAS, On January 4, 2018, former United States Attorney
4 General Jeff Sessions rescinded all United States Department of
5 Justice cannabis-related guidance issued during the previous
6 administration, leaving no clear guidance to the states or
7 financial institutions in its wake and, accordingly, further
8 discouraging the availability of financial services for, and
9 financial transparency of, cannabis-related businesses; and

10 WHEREAS, With no clear guidance from the current United
11 States Department of Justice on this issue and only a 2014
12 FinCEN guidance memorandum remaining, financial institutions and
13 cannabis-related businesses seeking banking services are now in
14 a perpetual state of uncertainty concerning Federal criminal
15 prosecution; and

16 WHEREAS, As a result of the uncertainty, this Commonwealth's
17 cannabis-related businesses generate millions of dollars in
18 revenue and tax money under State law, but have no access to the
19 same banking services available to all other legitimate
20 businesses in this Commonwealth; and

21 WHEREAS, The lack of banking services forces this
22 Commonwealth's taxpaying cannabis-related businesses to pay
23 bills, employees, suppliers and taxes in cash only, risk the
24 safety of its employees and customers and perpetuate the
25 stigmatization of operating a cannabis-related business without
26 transparency; and

27 WHEREAS, H. Res. 1595, introduced in the United States House
28 of Representatives on March 7, 2019, would establish the Secure
29 and Fair Enforcement Banking Act of 2019 (SAFE Banking Act) to
30 remove the Federal obstacles to banking services for cannabis-

1 related businesses; and

2 WHEREAS, The Safe Banking Act of 2019 would allow financial
3 institutions to provide services by prohibiting Federal banking
4 regulators from limiting deposit insurance or share insurance of
5 a financial institution because it provides services to state-
6 sanctioned cannabis-related businesses, penalizing or
7 discouraging financial institutions from providing services to
8 state-sanctioned cannabis-related businesses or states with
9 jurisdiction over such businesses, clarifying that proceeds from
10 transactions involving state-sanctioned cannabis-related
11 businesses do not constitute unlawful activity, and stating that
12 a financial institution is not liable under Federal law for
13 providing services under state laws where cannabis cultivation
14 and dispensing are permitted; and

15 WHEREAS, It is time congressional leadership recognize the
16 will of the majority of Americans and the states by providing
17 certainty to financial institutions that would otherwise offer
18 the same banking services to these taxpaying cannabis-related
19 businesses that they offer to all other legitimate businesses;
20 therefore be it

21 RESOLVED, That the Senate of the Commonwealth of Pennsylvania
22 urge the President and Congress of the United States to enact H.
23 Res. 1595 or similar legislation to remove the obstacles
24 preventing financial institutions from providing banking
25 services to cannabis-related businesses operating under state
26 law; and be it further

27 RESOLVED, That copies of this resolution be transmitted to
28 the President of the United States, to the presiding officers of
29 each house of Congress and to each member of Congress from
30 Pennsylvania.