

The Honorable Ed Perlmutter
United States House of Representatives
1226 Longworth House Office Building
Washington D.C. 20515

Dear Congressman Perlmutter:

The Cannabis Business Association of Illinois (CBAI) would like to thank you for your reintroduction of the Secure and Fair Enforcement or SAFE Banking Act. We again are in full support of this measure.

In June of 2019, Illinois signed into law groundbreaking cannabis social equity standards to ensure the diversity and inclusion of minority operators within the newly legalized adult use cannabis industry. These standards have quickly become the national template for other states seeking to develop social equity programs tied to their cannabis legalization efforts.

Illinois' social equity applicants have been significantly hindered due to their limited access to private capital and more practically to traditional financial services where they certainly could obtain loans and lines of credit to help offset startup costs and secure real estate. The SAFE Banking Act would not only resolve these financial challenges but also help to bolster the success factor for many of these social equity applicants.

The SAFE Banking Act would also be a great boon to the existing Illinois cannabis industry; their employees, their communities, their customers and of greater importance their patients. The Illinois cannabis industry garnered over \$1 billion in cannabis sales in 2020, a sum of money that is difficult to manage without access to traditional banking services.* This lack of access to normal banking services, available to every other legal operating business in Illinois, is unfair and inequitable. The attack on ATM machines located in every Illinois dispensary during the Chicago August mass looting is a perfect example of the industry's vulnerability because of cash insistent transactions. Several of our association's members were targeted several times and sustained massive physical damage as well as product theft.

Even Illinois' Treasurer, Michael Frerichs, is a staunch supporter of the SAFE Banking Act's passage. He has gone on record stating the need to provide normal financial banking services to the cannabis industry creating more transparency and accountability within this nascent industry. Allowing electronic payments between businesses promotes a healthier, safer economy. Currently financial institutions prohibit these transactions inhibiting everything from interstate specialty equipment purchases to software maintenance contracts even association dues payments!

CBAI would like to thank you for your efforts on behalf of the industry. This is a very important piece of legislation and we are grateful for your leadership in putting together a bipartisan advocacy team. If our statewide association can help in moving this legislation forward, please let us know.

Regards,



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cc: Illinois Congressional Delegation Members

* Barcott, Bruce, Beau Whitney and Janesa Bailey "Jobs Report 2021. <https://leafly-cms-production.imgix.net/wpcontent/uploads/2021/02/13180206/Leafly-JobsReport-20021-v14.pdf>