

Cooperative Credit Union Association

Delaware • Massachusetts • New Hampshire • Rhode Island

Creating Cooperative Power

June 6, 2018

The Honorable Elizabeth Warren
United States Senate
317 Hart Senate Office Building
Washington, DC 20515

BY EMAIL ONLY

Dear Senator Warren:

On behalf of the member credit unions of the Cooperative Credit Union Association, Inc. (“Association”), I write in support of a bill introduced by you today with Senator Cory Gardner on states’ rights relative to marijuana legalization, entitled *To amend the Controlled Substances Act to provide for a new rule regarding the 1 application of the Act to marihuana, and for other purposes*. The Association is the state trade association representing credit unions located in the states of Delaware, Massachusetts, New Hampshire and Rhode Island, serving approximately 190 credit unions which further serve approximately 3.6 million consumer members.

In 2016, Massachusetts approved the legalization of marijuana for recreational use. Since that time, credit unions have received requests for services in a consistent and increasing amount and have been sought out as a preferred local provider of banking services for these new and growing businesses. Our history illuminates the credit union mission to step in when others step out and serving the needs of marijuana related businesses in our local communities is simply the latest in this chapter.

The Association is overwhelmingly supportive of your bill and there is much about this narrowly designed proposal that is laudable. First, we firmly believe that the bill strikes a careful balance between federal and state governance on marijuana enforcement. The Association has held the longstanding position that states should function as their own laboratories of democracy. As Massachusetts is the proud home of the first state credit union law, recognizing the formation of credit unions and promoting consumer choice through a cooperative, not-for-profit, financial alternative, this bill continues these founding principles and represents a step in the right direction aimed at removing barriers to state legalization efforts.

It is important to note that this bill does not legalize marijuana nationally but allows each state to determine its legality. In addition, the bill reserves a state’s independence to make the final decision as to what is appropriate in their state. This proposal protects Massachusetts as well as any current or future cannabis-legal state from federal prosecution. It recognizes that if states move forward on emerging issues, such as medical marijuana, recreational marijuana, and others, that such activity will be lawfully and legally carried out.

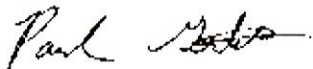
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Most importantly, the measure expressly lifts restrictions that prevents Massachusetts credit unions from providing quality banking services to the emerging legal marijuana industry which is currently either without financial services and/or clearly underserved. It also provides the framework for a safe and sound banking system. Your proposed legislation will help credit unions open the welcome door to both businesses and consumers as their volunteer boards of directors may determine to be appropriate to meet the financial services needs of those most in need.

Your action has distinguished your advocacy in introducing this bill as a leader, not only on behalf of your credit union constituents and the financial services industry, but on behalf of all consumers, as this is the first substantive bill on the issue presented in the Senate. Massachusetts has been on the forefront of moving marijuana legalization and its regulatory scheme forward. You have consistently been at the side of credit unions in this debate, heard and understood our needs and acted with a true commitment to assist in compliance with law and improvements to access to banking services by marijuana businesses. The Association applauds your leadership and commitment to fighting for consumer choice and consumer confidence in banking in the Commonwealth.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Gentile".

Paul C. Gentile
President/CEO

PCG/kb/mabc