

# Senate Joint Memorial 12

Sponsored by Senators FERRIOLI, BURDICK; Senators BEYER, KRUSE, PROZANSKI, Representatives BUCKLEY, HELM, LININGER, WILSON

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Urges Congress to support development of solution to financial issues arising from marijuana industry and to declassify marijuana as Schedule I drug under federal Controlled Substances Act.

## JOINT MEMORIAL

1  
2 To the President of the United States and the Senate and the House of Representatives of the United  
3 States of America, in Congress assembled:

4 We, your memorialists, the Seventy-eighth Legislative Assembly of the State of Oregon, in leg-  
5 islative session assembled, respectfully represent as follows:

6 Whereas 23 states and Washington, D.C., have legalized certain forms of marijuana usage; and

7 Whereas Oregonians voted to legalize the recreational use of marijuana under state law with  
8 the passage of Ballot Measure 91 in the 2014 general election; and

9 Whereas Oregonians voted to legalize the medicinal marijuana program with the passage of  
10 Ballot Measure 67 in the 1998 general election; and

11 Whereas Oregon is creating a substantial regulatory regime with respect to the marijuana in-  
12 dustry to ensure compliance with laws related to the growth, sale and usage of marijuana; and

13 Whereas Oregon's new regulatory scheme relating to marijuana is anticipated to create a sig-  
14 nificant expansion of the marijuana industry authorized under state law; and

15 Whereas regular business operations require access to banking services for efficiency, capital,  
16 security and record keeping; and

17 Whereas marijuana remains illegal at the federal level as a Schedule I drug under the federal  
18 Controlled Substances Act; and

19 Whereas the federal Bank Secrecy Act and its implementing regulations impose substantial ad-  
20 ministrative and operational burdens, compliance risk and regulatory risk that serve as a barrier to  
21 banks and credit unions providing banking services to businesses and individuals involved in the  
22 marijuana industry; and

23 Whereas the United States Department of the Treasury Financial Crimes Enforcement Network  
24 has issued guidance relating to the enforcement of the Bank Secrecy Act in states that have legal-  
25 ized certain marijuana activities, which spells out the significant administrative burden on banks  
26 and credit unions that want to offer banking services to marijuana-related businesses; and

27 Whereas providing banking services to marijuana-related businesses entails additional risk to  
28 banks and credit unions arising from the fact that marijuana is a Schedule I drug under the Con-  
29 trolled Substances Act, including but not limited to civil or criminal forfeiture and liability; and

30 Whereas most financial institutions have determined that the federal guidance for providing  
31 banking services to marijuana-related businesses is inadequate to create a regulatory environment

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 that is conducive to providing such services because the federal guidance does not change applicable  
2 federal laws, imposes significant compliance burdens and is subject to change at any time; and

3 Whereas without banking options, marijuana-related businesses are forced to operate exclusively  
4 in cash; and

5 Whereas a large cash-only industry attracts criminal activity and creates substantial public  
6 safety risks; and

7 Whereas a cash-only industry reduces transparency in accounting across the industry and makes  
8 it difficult for the state to implement an effective regulatory regime that ensures compliance with  
9 accounting, employment, tax and other state laws; and

10 Whereas the inability of marijuana-related businesses to pay taxes in a form other than cash  
11 creates a large burden on the state to develop new infrastructure to handle the influx of cash and  
12 take expensive security measures to mitigate public safety risks to taxpayers utilizing the system,  
13 state employees and the public at large; and

14 Whereas states do not have any control over the enforcement of federal laws and cannot enact  
15 legislation at the state level that provides banks and credit unions with protections necessary to  
16 overcome the high cost and risk associated with providing banking services to the marijuana in-  
17 dustry that arise from current federal laws; now, therefore,

18 **Be It Resolved by the Legislative Assembly of the State of Oregon:**

19 That we, the members of the Seventy-eighth Legislative Assembly, respectfully urge the Con-  
20 gress of the United States of America to support developing a solution to the financial issues that  
21 arise from the operation of marijuana industry; and be it further

22 Resolved, That we urge Congress to declassify marijuana as a Schedule I drug under the federal  
23 Controlled Substances Act, which would allow for in-depth research to determine the benefits and  
24 risks associated with marijuana use; and be it further

25 Resolved, That a copy of this memorial shall be sent to the President of the United States, to  
26 the Senate Majority Leader, to the Speaker of the House of Representatives and to each member  
27 of the Oregon Congressional Delegation.

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