

AMENDMENT TO THE RULES COMMITTEE PRINT

119–35

OFFERED BY MR. HIMES OF CONNECTICUT

Page 1, before line 1, insert the following:

1 **DIVISION A—MAIN STREET**
2 **CAPITAL ACCESS**

Add at the end the following:

3 **DIVISION B—SAFE BANKING**

4 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

5 (a) SHORT TITLE.—This Act may be cited as the
6 “Secure And Fair Enforcement Banking Act of 2026” or
7 the “SAFE Banking Act of 2026”.

8 (b) TABLE OF CONTENTS.—The table of contents for
9 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Definitions.
- Sec. 3. Safe harbor for depository institutions.
- Sec. 4. Protections for providing services to State-sanctioned marijuana businesses.
- Sec. 5. Protections under Federal law.
- Sec. 6. Requirements for filing suspicious activity reports.
- Sec. 7. Guidance and examination procedures.
- Sec. 8. Banking services for hemp-related legitimate businesses and hemp-related service providers.
- Sec. 9. Treatment of income derived from a State-sanctioned marijuana business for qualification for a federally backed single-family mortgage loan.
- Sec. 10. Requirements for deposit account termination requests and orders.
- Sec. 11. Annual diversity and inclusion report.
- Sec. 12. GAO study on diversity and inclusion.

Sec. 13. GAO study on effectiveness of certain reports on finding certain persons.

Sec. 14. Applicability to hemp-related legitimate businesses and hemp-related service providers.

Sec. 15. Rules of construction.

1 SEC. 2. DEFINITIONS.

2 In this Act:

3 (1) BUSINESS OF INSURANCE.—The term
4 “business of insurance” has the meaning given the
5 term in section 1002 of the Consumer Financial
6 Protection Act of 2010 (12 U.S.C. 5481).

7 (2) CBD.—The term “CBD” means
8 cannabidiol.

9 (3) COMMUNITY DEVELOPMENT FINANCIAL IN-
10 STITUTION.—The term “community development fi-
11 nancial institution” has the meaning given the term
12 in section 103 of the Community Development
13 Banking and Financial Institutions Act of 1994 (12
14 U.S.C. 4702).

15 (4) DEPOSITORY INSTITUTION.—The term “de-
16 pository institution”—

17 (A) means—

18 (i) a depository institution, as defined
19 in section 3(c) of the Federal Deposit In-
20 surance Act (12 U.S.C. 1813(c));

21 (ii) a Federal credit union, as defined
22 in section 101 of the Federal Credit Union
23 Act (12 U.S.C. 1752); and

1 (iii) a State credit union, as defined in
2 section 101 of the Federal Credit Union
3 Act (12 U.S.C. 1752); and

4 (B) includes any minority depository insti-
5 tution, as defined in section 308 of the Finan-
6 cial Institutions Reform, Recovery, and En-
7 forcement Act of 1989 (12 U.S.C. 1463 note).

8 (5) FEDERAL BANKING REGULATOR.—The
9 term “Federal banking regulator” means each of the
10 Board of Governors of the Federal Reserve System,
11 the Bureau of Consumer Financial Protection, the
12 Federal Deposit Insurance Corporation, the Federal
13 Housing Finance Agency, the Office of the Comp-
14 troller of the Currency, the National Credit Union
15 Administration, the Department of the Treasury (in-
16 cluding the Financial Crimes Enforcement Network
17 and the Office of Foreign Assets Control), or any
18 Federal agency or department that regulates bank-
19 ing or financial services, as determined by the Sec-
20 retary of the Treasury.

21 (6) FINANCIAL PRODUCT OR SERVICE.—The
22 term “financial product or service” has the meaning
23 given the term in section 1002 of the Consumer Fi-
24 nancial Protection Act of 2010 (12 U.S.C. 5481).

1 (7) FINANCIAL SERVICE.—The term “financial
2 service”—

3 (A) means—

4 (i) a financial product or service, re-
5 gardless of whether the customer receiving
6 the product or service is a consumer or
7 commercial entity; or

8 (ii) a financial product or service, or
9 any combination of products and services,
10 permitted to be provided by—

11 (I) a national bank or a financial
12 subsidiary pursuant to the authority
13 provided under—

14 (aa) the paragraph des-
15 ignated as the “Seventh” of sec-
16 tion 5136 of the Revised Statutes
17 (12 U.S.C. 24); or

18 (bb) section 5136A of the
19 Revised Statutes (12 U.S.C.
20 24a);

21 (II) a Federal credit union, pur-
22 suant to the authority provided under
23 the Federal Credit Union Act (12
24 U.S.C. 1751 et seq.); or

1 (III) a community development
2 financial institution; and

3 (B) includes—

4 (i) the business of insurance;

5 (ii) whether performed directly or in-
6 directly, the authorizing, processing, clear-
7 ing, settling, billing, transferring for de-
8 posit, transmitting, delivering, instructing
9 to be delivered, reconciling, collecting, or
10 otherwise effectuating or facilitating the
11 payment of funds that are made or trans-
12 ferred by any means, including by the use
13 of credit cards, debit cards, other payment
14 cards, or other access devices, accounts,
15 original or substitute checks, or electronic
16 funds transfers;

17 (iii) acting as a money transmitting
18 business that directly or indirectly makes
19 use of a depository institution in connec-
20 tion with effectuating or facilitating a pay-
21 ment for a State-sanctioned marijuana
22 business or service provider in compliance
23 with section 5330 of title 31, United
24 States Code, and any applicable State or
25 Tribal law; and

1 (iv) acting as an armored car service
2 for processing and depositing with a depos-
3 itory institution or a Federal reserve bank
4 with respect to any monetary instruments,
5 as defined in section 1956(c)(5) of title 18,
6 United States Code.

7 (8) HEMP.—The term “hemp” has the meaning
8 given the term in section 297A of the Agricultural
9 Marketing Act of 1946 (7 U.S.C. 1639o).

10 (9) HEMP-RELATED LEGITIMATE BUSINESS.—
11 The term “hemp-related legitimate business” means
12 a manufacturer, producer, or any person or company
13 that—

14 (A) engages in any activity described in
15 subparagraph (B) in conformity with the Agri-
16 culture Improvement Act of 2018 (Public Law
17 115–334; 132 Stat. 4490), amendments made
18 by that Act, and the regulations issued to im-
19 plement that Act by the Department of Agri-
20 culture, where applicable, and the law of a
21 State, an Indian Tribe, or a political subdivision
22 of a State; and

23 (B) participates in any business or orga-
24 nized activity that involves handling hemp,
25 hemp-derived CBD products, and other hemp-

1 derived cannabinoid products, including culti-
2 vating, producing, extracting, manufacturing,
3 selling, transporting, displaying, dispensing, dis-
4 tributing, or purchasing hemp, hemp-derived
5 CBD products, and other hemp-derived
6 cannabinoid products.

7 (10) HEMP-RELATED SERVICE PROVIDER.—The
8 term “hemp-related service provider”—

9 (A) means a business, organization, or
10 other person that—

11 (i) sells goods or services to a hemp-
12 related legitimate business; or

13 (ii) provides any business services, in-
14 cluding the sale or lease of real or any
15 other property, legal or other licensed serv-
16 ices, or any other ancillary service, relating
17 to hemp, hemp-derived CBD products, or
18 other hemp-derived cannabinoid products;
19 and

20 (B) does not include a business, organiza-
21 tion, or other person that participates in any
22 business or organized activity that involves han-
23 dling hemp, hemp-derived CBD products, or
24 other hemp-derived cannabinoid products, in-
25 cluding cultivating, producing, manufacturing,

1 selling, transporting, displaying, dispensing, dis-
2 tributing, or purchasing hemp, hemp-derived
3 CBD products, and other hemp-derived
4 cannabinoid products.

5 (11) INDIAN TRIBE.—The term “Indian Tribe”
6 has the meaning given the term “Indian tribe” in
7 section 102 of the Federally Recognized Indian
8 Tribe List Act of 1994 (25 U.S.C. 5130).

9 (12) INSURER.—The term “insurer” has the
10 meaning given the term in section 313(r) of title 31,
11 United States Code.

12 (13) MANUFACTURER.—The term “manufac-
13 turer” means a person who manufactures, com-
14 pounds, converts, processes, prepares, or packages
15 marijuana or marijuana products.

16 (14) MARIJUANA.—The term “marijuana” has
17 the meaning given the term “marihuana” in section
18 102 of the Controlled Substances Act (21 U.S.C.
19 802).

20 (15) MARIJUANA PRODUCT.—The term “mari-
21 juana product” means any article that contains
22 marijuana, including an article that is a concentrate,
23 an edible, a tincture, a marijuana-infused product,
24 or a topical.

1 (16) PRODUCER.—The term “producer” means
2 a person who plants, cultivates, harvests, or in any
3 way facilitates the natural growth of marijuana.

4 (17) SERVICE PROVIDER.—The term “service
5 provider”—

6 (A) means a business, organization, or
7 other person that—

8 (i) sells goods or services to a State-
9 sanctioned marijuana business; or

10 (ii) provides any business services, in-
11 cluding the sale or lease of real or any
12 other property, legal or other licensed serv-
13 ices, or any other ancillary service, relating
14 to a State-sanctioned marijuana business;
15 and

16 (B) does not include a business, organiza-
17 tion, or other person that participates in any
18 business or organized activity that involves han-
19 dling marijuana or marijuana products, includ-
20 ing cultivating, producing, manufacturing, sell-
21 ing, transporting, displaying, dispensing, dis-
22 tributing, or purchasing marijuana or mari-
23 juana products.

24 (18) STATE.—The term “State” means each of
25 the several States, the District of Columbia, the

1 Commonwealth of Puerto Rico, and any territory or
2 possession of the United States.

3 (19) STATE-SANCTIONED MARIJUANA BUSI-
4 NESS.—The term “State-sanctioned marijuana busi-
5 ness” means a manufacturer, producer, or any per-
6 son that—

7 (A) engages in any activity described in
8 subparagraph (B) pursuant to a law established
9 by a State, an Indian Tribe, or a political sub-
10 division of a State, as determined by such
11 State, Indian Tribe, or political subdivision; and

12 (B) participates in any business or orga-
13 nized activity that involves handling marijuana
14 or marijuana products, including cultivating,
15 producing, manufacturing, selling, transporting,
16 displaying, dispensing, distributing, or pur-
17 chasing marijuana or marijuana products.

18 **SEC. 3. SAFE HARBOR FOR DEPOSITORY INSTITUTIONS.**

19 (a) PROHIBITION.—A Federal banking regulator may
20 not—

21 (1) terminate or limit the deposit insurance or
22 share insurance of a depository institution under the
23 Federal Deposit Insurance Act (12 U.S.C. 1811 et
24 seq.) or the Federal Credit Union Act (12 U.S.C.
25 1751 et seq.) or take any other adverse action

1 against a depository institution under the Federal
2 Deposit Insurance Act (12 U.S.C. 1811 et seq.) or
3 the Federal Credit Union Act (12 U.S.C. 1751 et
4 seq.) solely because the depository institution pro-
5 vides or has provided financial services to a State-
6 sanctioned marijuana business or service provider;

7 (2) prohibit, penalize, or otherwise discourage a
8 depository institution from providing financial serv-
9 ices to—

10 (A) a State-sanctioned marijuana business
11 or service provider solely because the business
12 or service provider is a State-sanctioned mari-
13 juana business or service provider; or

14 (B) a State, an Indian Tribe, or a political
15 subdivision of a State solely because that entity
16 exercises jurisdiction over State-sanctioned
17 marijuana businesses;

18 (3) recommend, incentivize, or encourage a de-
19 pository institution not to offer financial services to
20 an account holder, or to downgrade or cancel the fi-
21 nancial services offered to an account holder, solely
22 because—

23 (A) the account holder is a State-sanc-
24 tioned marijuana business or service provider,
25 or is an employee, owner, or operator of a

1 State-sanctioned marijuana business or service
2 provider;

3 (B) the account holder later becomes an
4 employee, owner, or operator of a State-sanc-
5 tioned marijuana business or service provider;
6 or

7 (C) the depository institution was not
8 aware, after conducting sufficient risk-based
9 customer due diligence in accordance with ap-
10 plicable requirements, that the account holder is
11 an employee, owner, or operator of a State-
12 sanctioned marijuana business or service pro-
13 vider;

14 (4) take any adverse or corrective supervisory
15 action on a loan made to—

16 (A) a State-sanctioned marijuana business
17 or service provider, solely because the business
18 is a State-sanctioned marijuana business or
19 service provider;

20 (B) an employee, owner, or operator of a
21 State-sanctioned marijuana business or service
22 provider, solely because the employee, owner, or
23 operator is employed by, owns, or operates a
24 State-sanctioned marijuana business or service
25 provider, as applicable; or

1 (C) an owner or operator of real estate or
2 equipment that is leased to a State-sanctioned
3 marijuana business or service provider, solely
4 because the owner or operator of the real estate
5 or equipment leased the equipment or real es-
6 tate to a State-sanctioned marijuana business
7 or service provider, as applicable; or

8 (5) prohibit or penalize a depository institution
9 (or entity performing a financial service for or in as-
10 sociation with a depository institution) for, or other-
11 wise discourage a depository institution (or entity
12 performing a financial service for or in association
13 with a depository institution) from, engaging in a fi-
14 nancial service for a State-sanctioned marijuana
15 business or service provider solely because the busi-
16 ness or service provider is a State-sanctioned mari-
17 juana business or service provider.

18 (b) SAFE HARBOR APPLICABLE TO DE NOVO INSTI-
19 TUTIONS.—Subsection (a) shall apply to an institution ap-
20 plying for a depository institution charter to the same ex-
21 tent as such subsection applies to a depository institution.

1 **SEC. 4. PROTECTIONS FOR PROVIDING SERVICES TO**
2 **STATE-SANCTIONED MARIJUANA BUSI-**
3 **NESSES.**

4 For the purposes of sections 1956 and 1957 of title
5 18, United States Code, and all other provisions of Fed-
6 eral law, the proceeds from marijuana-related activities of
7 a State-sanctioned marijuana business or service provider
8 that conducts all of its marijuana-related activity in com-
9 pliance with the marijuana-related law of the State, Indian
10 Tribe, or political subdivision of the State shall not be con-
11 sidered proceeds from an unlawful activity solely be-
12 cause—

13 (1) the transaction involves proceeds from a
14 State-sanctioned marijuana business or service pro-
15 vider; or

16 (2) the transaction involves proceeds from—

17 (A) marijuana-related activities described
18 in section 2(19)(B) conducted by a State-sanc-
19 tioned marijuana business; or

20 (B) activities described in section 2(17)(A)
21 conducted by a service provider.

22 **SEC. 5. PROTECTIONS UNDER FEDERAL LAW.**

23 (a) IN GENERAL.—With respect to providing a finan-
24 cial service to a State-sanctioned marijuana business
25 (where such State-sanctioned marijuana business operates
26 within a State, an Indian Tribe, or a political subdivision

1 of a State that allows the cultivation, production, manu-
2 facture, sale, transportation, display, dispensing, distribu-
3 tion, or purchase of marijuana pursuant to a law or regu-
4 lation of such State, Indian Tribe, or political subdivision,
5 as applicable) or a service provider (wherever located), a
6 depository institution, an entity performing a financial
7 service for or in association with a depository institution,
8 a community development financial institution, or an in-
9 surer that provides a financial service to a State-sanc-
10 tioned marijuana business or service provider, and the of-
11 ficers, directors, employees, and agents of that depository
12 institution, entity, community development financial insti-
13 tution, or insurer may not be held liable pursuant to any
14 Federal law or regulation—

15 (1) solely for providing such a financial service;

16 or

17 (2) for further investing any income derived
18 from such a financial service.

19 (b) PROTECTIONS FOR FEDERAL RESERVE BANKS
20 AND FEDERAL HOME LOAN BANKS.—With respect to
21 providing a service to a depository institution that pro-
22 vides a financial service to a State-sanctioned marijuana
23 business (where such State-sanctioned marijuana business
24 operates within a State, an Indian Tribe, or a political
25 subdivision of a State that allows the cultivation, produc-

1 tion, manufacture, sale, transportation, display, dis-
2 pensing, distribution, or purchase of marijuana pursuant
3 to a law or regulation of such State, Indian Tribe, or polit-
4 ical subdivision, as applicable) or service provider (wher-
5 ever located), a Federal reserve bank or Federal Home
6 Loan Bank, and the officers, directors, and employees of
7 the Federal reserve bank or Federal Home Loan Bank,
8 may not be held liable pursuant to any Federal law or
9 regulation—

10 (1) solely for providing such a service; or

11 (2) for further investing any income derived
12 from such a service.

13 (c) PROTECTIONS FOR INSURERS.—With respect to
14 engaging in the business of insurance within a State, an
15 Indian Tribe, or a political subdivision of a State that al-
16 lows the cultivation, production, manufacture, sale, trans-
17 portation, display, dispensing, distribution, or purchase of
18 marijuana pursuant to a law or regulation of such State,
19 Indian Tribe, or political subdivision, as applicable, an in-
20 surer that engages in the business of insurance with a
21 State-sanctioned marijuana business or service provider or
22 that otherwise engages with a person in a transaction per-
23 missible pursuant to a law (including regulations) of such
24 State, Indian Tribe, or political subdivision related to
25 marijuana, and the officers, directors, and employees of

1 that insurer, may not be held liable pursuant to any Fed-
2 eral law or regulation—

3 (1) solely for engaging in the business of insur-
4 ance; or

5 (2) for further investing any income derived
6 from the business of insurance.

7 (d) FORFEITURE.—

8 (1) DEPOSITORY INSTITUTIONS AND COMMU-
9 NITY DEVELOPMENT FINANCIAL INSTITUTIONS.—A
10 depository institution or community development fi-
11 nancial institution that has a legal interest in the
12 collateral for a loan or another financial service pro-
13 vided to an owner, employee, or operator of a State-
14 sanctioned marijuana business or service provider, or
15 to an owner or operator of real estate or equipment
16 that is leased or sold to a State-sanctioned mari-
17 juana business or service provider, shall not be sub-
18 ject to criminal, civil, or administrative forfeiture of
19 that legal interest pursuant to any Federal law sole-
20 ly for providing such loan or other financial service.

21 (2) FEDERAL RESERVE BANKS AND FEDERAL
22 HOME LOAN BANKS.—A Federal reserve bank or
23 Federal Home Loan Bank that has a legal interest
24 in the collateral for a loan or another financial serv-
25 ice provided to a depository institution that provides

1 a financial service to a State-sanctioned marijuana
2 business or service provider, or to an owner or oper-
3 ator of real estate or equipment that is leased or
4 sold to a State-sanctioned marijuana business or
5 service provider, shall not be subject to criminal,
6 civil, or administrative forfeiture of that legal inter-
7 est pursuant to any Federal law for providing such
8 loan or other financial service.

9 (3) FEDERAL NATIONAL MORTGAGE ASSOCIA-
10 TION, FEDERAL HOME LOAN MORTGAGE CORPORA-
11 TION, AND FEDERAL AGENCIES MAKING, INSURING,
12 OR GUARANTEEING MORTGAGE LOANS OR SECURI-
13 TIES.—The Federal National Mortgage Association,
14 the Federal Home Loan Mortgage Corporation, and
15 any Federal agency that has a legal interest in the
16 collateral for a residential mortgage loan, including
17 individual units of condominiums and cooperatives,
18 provided that the collateral is a property designed
19 principally for the occupancy of 1 to 4 families and
20 underwritten, in whole or in part, based on income
21 from a State-sanctioned marijuana business or serv-
22 ice provider, shall not be subject to criminal, civil, or
23 administrative forfeiture of that legal interest pursu-
24 ant to any Federal law for providing, insuring, guar-

1 anteeing, purchasing, securitizing, or guaranteeing
2 payments from a security based on such loan.

3 (4) OTHER PARTIES TO MORTGAGE LOANS.—A
4 nondepository lender that makes a federally backed
5 mortgage loan, as defined in section 9(a), and any
6 person who otherwise has a legal interest in such a
7 loan or in the collateral of the loan, including indi-
8 vidual units of condominiums and cooperatives, pro-
9 vided that the collateral is a property designed prin-
10 cipally for the occupancy of 1 to 4 families and un-
11 derwritten, in whole or in part, based on income
12 from a State-sanctioned marijuana business or serv-
13 ice provider, shall not be subject to criminal, civil, or
14 administrative forfeiture of that legal interest pursu-
15 ant to any Federal law for providing, purchasing,
16 securitizing, accepting, and making payments related
17 to such federally backed mortgage loan solely be-
18 cause loan payments or underwriting are based on
19 income that is in whole or in part from a State-sanc-
20 tioned marijuana business or service provider.

21 (5) DEFINITION.—In this subsection, the term
22 “collateral” does not include marijuana or a mari-
23 juana product.

1 **SEC. 6. REQUIREMENTS FOR FILING SUSPICIOUS ACTIVITY**
2 **REPORTS.**

3 Section 5318(g) of title 31, United States Code, is
4 amended—

5 (1) by redesignating paragraph (11) as para-
6 graph (12); and

7 (2) by inserting after paragraph (10) the fol-
8 lowing:

9 “(11) REQUIREMENTS FOR STATE-SANCTIONED
10 MARIJUANA BUSINESSES.—

11 “(A) IN GENERAL.—With respect to a fi-
12 nancial institution, or any director, officer, em-
13 ployee, or agent of a financial institution, that
14 reports a suspicious transaction pursuant to
15 this subsection, if the reason for the report re-
16 lates to a State-sanctioned marijuana business
17 or service provider, the report shall comply with
18 appropriate guidance issued by the Secretary of
19 the Treasury. Not later than the end of the
20 180-day period beginning on the date of enact-
21 ment of the Secure And Fair Enforcement
22 Banking Act of 2026, the Secretary shall
23 amend the February 14, 2014, guidance titled
24 ‘BSA Expectations Regarding Marijuana-Re-
25 lated Businesses’ (FIN–2014–G001) or issue
26 new guidance to ensure consistency with the

1 purpose and intent of the Secure And Fair En-
2 forcement Banking Act of 2026, and the
3 amendments made by that Act, and that such
4 guidance ensures that a financial institution,
5 and any director, officer, employee, or agent of
6 a financial institution, continues to report sus-
7 picious transactions pursuant to this subsection,
8 as applicable, relating to State-sanctioned mari-
9 juana businesses and service providers to pre-
10 serve the ability of the Financial Crimes En-
11 forcement Network to prevent and combat illicit
12 activity.

13 “(B) DEFINITIONS.—In this paragraph:

14 “(i) FINANCIAL SERVICE; SERVICE
15 PROVIDER; STATE; STATE-SANCTIONED
16 MARIJUANA BUSINESS.—The terms ‘finan-
17 cial service’, ‘service provider’, ‘State’, and
18 ‘State-sanctioned marijuana business’ have
19 the meanings given the terms in section 2
20 of the SAFE Banking Act of 2026.

21 “(ii) INDIAN COUNTRY.—The term
22 ‘Indian country’ has the meaning given the
23 term in section 1151 of title 18.

24 “(iii) INDIAN TRIBE.—The term ‘In-
25 dian Tribe’ has the meaning given the

1 term ‘Indian tribe’ in section 102 of the
2 Federally Recognized Indian Tribe List
3 Act of 1994 (25 U.S.C. 5130).

4 “(iv) MARIJUANA.—The term ‘mari-
5 juana’ has the meaning given the term
6 ‘marihuana’ in section 102 of the Con-
7 trolled Substances Act (21 U.S.C. 802).”.

8 **SEC. 7. GUIDANCE AND EXAMINATION PROCEDURES.**

9 (a) UNIFORM GUIDANCE AND EXAMINATION PROCE-
10 DURES.—Not later than 180 days after the date of enact-
11 ment of this Act, the Federal Financial Institutions Ex-
12 amination Council, in consultation with the Department
13 of the Treasury, shall develop uniform guidance and exam-
14 ination procedures for depository institutions that provide
15 financial services to State-sanctioned marijuana busi-
16 nesses and service providers.

17 (b) LEGACY DEPOSITS.—The guidance and examina-
18 tion procedures described in subsection (a) shall permit
19 a depository institution to accept a deposit of currency
20 from a State-sanctioned marijuana business if—

21 (1) the business received the currency during
22 the 90-day period ending on the date on which the
23 business commenced its relationship with the deposi-
24 tory institution;

1 (2) the business provided the depository institu-
2 tion with records sufficient to demonstrate the
3 source of the currency being deposited by the busi-
4 ness;

5 (3) the amount of the currency is reasonable in
6 light of the expected revenue of the business, as de-
7 termined by the depository institution consistent
8 with the risk-based procedures for ensuring compli-
9 ance with the section 5318(h) of title 31, United
10 States Code, and any applicable regulations imple-
11 menting that section; and

12 (4) the depository institution complies with any
13 other applicable reporting requirements pursuant to
14 subchapter II of chapter 53 of title 31, United
15 States Code, and any applicable regulations imple-
16 menting that subchapter.

17 **SEC. 8. BANKING SERVICES FOR HEMP-RELATED LEGITI-**
18 **MATE BUSINESSES AND HEMP-RELATED**
19 **SERVICE PROVIDERS.**

20 (a) FINDINGS.—Congress finds that—

21 (1) section 12619 of the Agriculture Improve-
22 ment Act of 2018 (Public Law 115–334; 132 Stat.
23 5018) legalized hemp by removing it from the defini-
24 tion of marihuana under section 102 of the Con-
25 trolled Substances Act (21 U.S.C. 802);

1 (2) despite the legalization of hemp, some hemp
2 businesses (including producers, manufacturers, and
3 retailers) continue to have difficulty gaining access
4 to banking products and services; and

5 (3) businesses involved in the sale of hemp-de-
6 rived CBD products are particularly affected, due to
7 confusion about the legal status of such products.

8 (b) DEFINITION.—In this section, the term “financial
9 institution”—

10 (1) has the meaning given the term in section
11 5312(a) of title 31, United States Code; and

12 (2) includes a bank holding company, as de-
13 fined in section 2(a) of the Bank Holding Company
14 Act of 1956 (12 U.S.C. 1841(a)).

15 (c) FEDERAL BANKING REGULATORS’ HEMP BANK-
16 ING GUIDANCE.—Not later than the end of the 90-day pe-
17 riod beginning on the date of enactment of this Act, each
18 Federal banking regulator shall update guidance, as in ef-
19 fect on the date of enactment of this Act, regarding pro-
20 viding financial services to hemp-related legitimate busi-
21 nesses and hemp-related service providers to address—

22 (1) compliance with obligations of financial in-
23 stitutions, as of the date of enactment of this Act,
24 under Federal laws (including regulations) deter-
25 mined relevant by the Federal banking regulator and

1 the Department of the Treasury, including sub-
2 chapter II of chapter 53 of title 31, United States
3 Code, and its implementing regulation in conformity
4 with this Act and the regulations relating to domes-
5 tic hemp production under part 990 of title 7, Code
6 of Federal Regulations; and

7 (2) best practices for financial institutions to
8 follow when providing financial services, including
9 processing payments, to hemp-related legitimate
10 businesses and hemp-related service providers.

11 **SEC. 9. TREATMENT OF INCOME DERIVED FROM A STATE-**
12 **SANCTIONED MARIJUANA BUSINESS FOR**
13 **QUALIFICATION FOR A FEDERALLY BACKED**
14 **SINGLE-FAMILY MORTGAGE LOAN.**

15 (a) DEFINITION.—In this section, the term “federally
16 backed mortgage loan” means any loan secured by a first
17 or subordinate lien on residential real property, including
18 individual units of condominiums and cooperatives, de-
19 signed principally for the occupancy of 1 to 4 families that
20 is—

21 (1) insured by the Federal Housing Administra-
22 tion under title I or title II of the National Housing
23 Act (12 U.S.C. 1702 et seq., 1707 et seq.);

24 (2) insured under section 255 of the National
25 Housing Act (12 U.S.C. 1715z–20);

1 (3) guaranteed under section 184 or 184A of
2 the Housing and Community Development Act of
3 1992 (12 U.S.C. 1715z–13a, 1715z–13b);

4 (4) guaranteed, insured, or made by the De-
5 partment of Veterans Affairs;

6 (5) guaranteed, insured, or made by the De-
7 partment of Agriculture; or

8 (6) purchased or securitized by the Federal
9 Home Loan Mortgage Corporation or the Federal
10 National Mortgage Association.

11 (b) TREATMENT OF INCOME.—

12 (1) IN GENERAL.—Income derived from a
13 State-sanctioned marijuana business that operates
14 within a State, an Indian Tribe, or a political sub-
15 division of a State that allows the cultivation, pro-
16 duction, manufacture, sale, transportation, display,
17 dispensing, distribution, or purchase of marijuana
18 pursuant to a law or regulation of the State, Indian
19 Tribe, or political subdivision, as applicable, or a
20 service provider (wherever located), shall be consid-
21 ered in the same manner as any other legal income
22 for purposes of determining eligibility for a federally
23 backed mortgage loan for a 1- to 4-unit property
24 that is the principal residence of the mortgagor.

1 (2) LIABILITY.—The mortgagee or servicer of a
2 federally backed mortgage loan described in para-
3 graph (1), or any Federal agency, the Federal Na-
4 tional Mortgage Association, or the Federal Home
5 Loan Mortgage Corporation, may not be held liable
6 pursuant to any Federal law or regulation solely
7 for—

8 (A) providing, insuring, guaranteeing, pur-
9 chasing, or securitizing a mortgage to an other-
10 wise qualified borrower on the basis of the in-
11 come described in paragraph (1); or

12 (B) accepting the income described in
13 paragraph (1) as payment on the federally
14 backed mortgage loan.

15 (c) IMPLEMENTATION.—Not later than 180 days
16 after the date of enactment of this Act—

17 (1) the Federal Housing Administration shall
18 implement subsection (b)—

19 (A) by notice or mortgagee letter for loans
20 insured under title I, title II, or section 255 of
21 the National Housing Act (12 U.S.C. 1702 et
22 seq., 1707 et seq., 1715z–20); and

23 (B) by lender letter for loans guaranteed
24 under section 184 or 184A of the Housing and

1 Community Development Act of 1992 (12
2 U.S.C. 1715z–13a, 1715z–13b);

3 (2) the Department of Veterans Affairs shall
4 implement subsection (b) by circular or handbook
5 for loans guaranteed, insured, or made by the De-
6 partment;

7 (3) the Department of Agriculture shall imple-
8 ment subsection (b) by bulletin for loans guaranteed
9 or made by the Department;

10 (4) the Federal Home Loan Mortgage Corpora-
11 tion shall implement subsection (b) by updating its
12 Single-Family Seller/Service Guide for loans pur-
13 chased or securitized by the Corporation; and

14 (5) the Federal National Mortgage Association
15 shall implement subsection (b) by updating its Sin-
16 gle Family Selling Guide for loans purchased or
17 securitized by the Association.

18 **SEC. 10. REQUIREMENTS FOR DEPOSIT ACCOUNT TERMI-**

19 **NATION REQUESTS AND ORDERS.**

20 (a) CONDITIONS FOR TERMINATION.—

21 (1) IN GENERAL.—An appropriate Federal
22 banking agency may not formally or informally re-
23 quest or order a depository institution to terminate
24 a specific customer account or group of customer ac-
25 counts (including, but not limited to, any account of

1 any customer that is a State-sanctioned marijuana
2 business or service provider) or to otherwise restrict
3 or discourage a depository institution from entering
4 into or maintaining a banking relationship with a
5 specific customer or group of customers (including,
6 but not limited to, with any customer that is a
7 State-sanctioned marijuana business or service pro-
8 vider), unless—

9 (A) the agency has made a written deter-
10 mination that the depository institution is—

11 (i) engaging in an unsafe or unsound
12 practice; or

13 (ii) violating a rule, law, regulation, or
14 order with respect to the relationship of
15 the depository institution with the cus-
16 tomer (or, in the case of a group of cus-
17 tomers, specific customers within the
18 group); and

19 (B) such reason is not based primarily on
20 reputational risk.

21 (2) TREATMENT OF NATIONAL SECURITY
22 THREATS.—If an appropriate Federal banking agen-
23 cy believes a specific customer or group of customers
24 is, or is acting as a conduit for, an entity that—

25 (A) poses a threat to national security;

1 (B) is involved in terrorist financing;

2 (C) is an agency of the Government of
3 Iran, North Korea, Syria, or any country listed
4 from time to time on the State Sponsors of
5 Terrorism list;

6 (D) is located in, or is subject to the juris-
7 diction of, any country specified in subpara-
8 graph (C); or

9 (E) does business with any entity described
10 in subparagraph (C) or (D), unless the appro-
11 priate Federal banking agency determines that
12 the customer or group of customers has used
13 due diligence to avoid doing business with any
14 entity described in subparagraph (C) or (D),
15 such belief shall satisfy the requirement under para-
16 graph (1).

17 (b) NOTICE REQUIREMENT.—

18 (1) IN GENERAL.—If an appropriate Federal
19 banking agency formally or informally requests or
20 orders a depository institution to terminate a spe-
21 cific customer account or a group of customer ac-
22 counts, the agency shall—

23 (A) provide such request or order to the
24 institution in writing; and

1 (B) accompany such request or order with
2 a written justification for why such termination
3 is needed, including any specific laws or regula-
4 tions the agency believes are being violated by
5 the customer or group of customers, if any.

6 (2) JUSTIFICATION REQUIREMENT.—A jus-
7 tification described under paragraph (1)(B) may not
8 be based solely on the reputational risk to the depos-
9 itory institution.

10 (c) CUSTOMER NOTICE.—

11 (1) NOTICE REQUIRED.—Except as provided
12 under paragraph (2) or as otherwise prohibited from
13 being disclosed by law, if an appropriate Federal
14 banking agency orders a depository institution to
15 terminate a specific customer account or a group of
16 customer accounts, the depository institution shall
17 inform the specific customer or group of customers
18 of the justification for the customer's account termi-
19 nation described under subsection (b).

20 (2) NOTICE PROHIBITED.—

21 (A) NOTICE PROHIBITED IN CASES OF NA-
22 TIONAL SECURITY.—If an appropriate Federal
23 banking agency requests or orders a depository
24 institution to terminate a specific customer ac-
25 count or a group of customer accounts based on

1 a belief that the customer or customers pose a
2 threat to national security, or are otherwise de-
3 scribed under subsection (a)(2), neither the de-
4 pository institution nor the appropriate Federal
5 banking agency may inform the customer or
6 customers of the justification for the customer's
7 account termination.

8 (B) NOTICE PROHIBITED IN OTHER
9 CASES.—If an appropriate Federal banking
10 agency determines that the notice required
11 under paragraph (1) may interfere with an au-
12 thorized criminal investigation, neither the de-
13 pository institution nor the appropriate Federal
14 banking agency may inform the specific cus-
15 tomer or group of customers of the justification
16 for the customer's account termination.

17 (d) REPORTING REQUIREMENT.—Each appropriate
18 Federal banking agency shall submit to the Committee on
19 Banking, Housing, and Urban Affairs of the Senate and
20 the Committee on Financial Services of the House of Rep-
21 resentatives an annual report stating—

22 (1) the aggregate number of specific customer
23 accounts that the agency requested that a depository
24 institution terminate, or ordered a depository insti-
25 tution to terminate, during the previous year; and

1 (2) the legal authority on which the agency re-
2 lied in making each request and order under para-
3 graph (1) and the frequency on which the agency re-
4 lied on each such authority.

5 (e) DEFINITIONS.—In this section:

6 (1) APPROPRIATE FEDERAL BANKING AGEN-
7 CY.—The term “appropriate Federal banking agen-
8 cy” means—

9 (A) the appropriate Federal banking agen-
10 cy, as defined under section 3 of the Federal
11 Deposit Insurance Act (12 U.S.C. 1813); and

12 (B) the National Credit Union Administra-
13 tion, in the case of an insured credit union.

14 (2) DEPOSITORY INSTITUTION.—The term “de-
15 pository institution” means—

16 (A) a depository institution, as defined
17 under section 3 of the Federal Deposit Insur-
18 ance Act (12 U.S.C. 1813); and

19 (B) an insured credit union.

20 **SEC. 11. ANNUAL DIVERSITY AND INCLUSION REPORT.**

21 The Federal banking regulators shall submit to Con-
22 gress an annual report containing—

23 (1) information and data on the availability of
24 access to financial services for minority-owned, vet-

1 eran-owned, women-owned, and small State-sanc-
2 tioned marijuana businesses; and

3 (2) any regulatory or legislative recommenda-
4 tions for expanding access to financial services for
5 minority-owned, veteran-owned, women-owned, and
6 small State-sanctioned marijuana businesses and
7 hemp-related legitimate businesses.

8 **SEC. 12. GAO STUDY ON DIVERSITY AND INCLUSION.**

9 (a) STUDY.—The Comptroller General of the United
10 States shall conduct a study on the barriers to market-
11 place entry, including in the licensing process, and the ac-
12 cess to financial services for potential and existing minor-
13 ity-owned, veteran-owned, women-owned, and small State-
14 sanctioned marijuana businesses and hemp-related legiti-
15 mate businesses.

16 (b) REPORT.—Not later than 2 years after the date
17 of enactment of this Act, the Comptroller General of the
18 United States shall submit to Congress a report con-
19 taining—

20 (1) all findings and determinations made in
21 conducting the study required under subsection (a);
22 and

23 (2) any regulatory or legislative recommenda-
24 tions for removing barriers to marketplace entry and
25 success, including in the licensing process, and ex-

1 panding access to financial services for potential and
2 existing minority-owned, veteran-owned, women-
3 owned, and small State-sanctioned marijuana busi-
4 nesses and hemp-related legitimate businesses.

5 **SEC. 13. GAO STUDY ON EFFECTIVENESS OF CERTAIN RE-**
6 **PORTS ON FINDING CERTAIN PERSONS.**

7 (a) IN GENERAL.—Not later than 2 years after the
8 date of enactment of this Act, the Comptroller General
9 of the United States, in consultation with the Attorney
10 General, shall conduct a study on—

11 (1) the effectiveness of reports on suspicious
12 transactions filed pursuant to section 5318(g) of
13 title 31, United States Code, at finding individuals
14 or organizations suspected or known to be engaged
15 with transnational criminal organizations; and

16 (2) whether any engagement described in para-
17 graph (1) exists in a State, an Indian Tribe, or a
18 political subdivision of a State that allows the cul-
19 tivation, production, manufacture, sale, transpor-
20 tation, display, dispensing, distribution, or purchase
21 of marijuana.

22 (b) REQUIREMENTS.—The study required under sub-
23 section (a) shall examine reports on suspicious trans-
24 actions—

1 (1) relating to marijuana-related businesses, as
2 described in the guidance entitled “BSA Expecta-
3 tions Regarding Marijuana-Related Businesses”,
4 published by the Financial Crimes Enforcement Net-
5 work of the Department of the Treasury on Feb-
6 ruary 14, 2014, during the period beginning on Jan-
7 uary 1, 2014, and ending on the date of enactment
8 of this Act; and

9 (2) relating to State-sanctioned marijuana busi-
10 nesses during the period beginning on January 1,
11 2014, and ending on the date that is 1 year after
12 the date of enactment of this Act.

13 **SEC. 14. APPLICABILITY TO HEMP-RELATED LEGITIMATE**
14 **BUSINESSES AND HEMP-RELATED SERVICE**
15 **PROVIDERS.**

16 The provisions of this Act (other than sections 6 and
17 13) shall apply with respect to hemp-related legitimate
18 businesses and hemp-related service providers in the same
19 manner as such provisions apply with respect to State-
20 sanctioned marijuana businesses and service providers.

21 **SEC. 15. RULES OF CONSTRUCTION.**

22 (a) **NO REQUIREMENT TO PROVIDE FINANCIAL**
23 **SERVICES.**—Nothing in this Act shall require a depository
24 institution, an entity performing a financial service for or
25 in association with a depository institution, a community

1 development financial institution, or an insurer to provide
2 financial services to a State-sanctioned marijuana busi-
3 ness, service provider, or any other business.

4 (b) GENERAL EXAMINATION, SUPERVISORY, AND
5 ENFORCEMENT AUTHORITY.—Nothing in this Act may be
6 construed in any way to limit or otherwise restrict the gen-
7 eral examination, supervisory, and enforcement authority
8 of the Federal banking regulators (including the Depart-
9 ment of the Treasury), provided that any supervisory or
10 enforcement action is not being taken solely because the
11 provision of financial services to a State-sanctioned mari-
12 juana business or service provider.

13 (c) BUSINESS OF INSURANCE.—Nothing in this Act
14 shall interfere with the regulation of the business of insur-
15 ance in accordance with the Act entitled “An Act to ex-
16 press the intent of the Congress with reference to the reg-
17 ulation of the business of insurance”, approved March 9,
18 1945 (commonly known as the “McCarran-Ferguson
19 Act”; 15 U.S.C. 1011 et seq.), and the Dodd-Frank Wall
20 Street Reform and Consumer Protection Act (12 U.S.C.
21 5301 et seq.).

22 (d) LAW ENFORCEMENT AUTHORITY.—Nothing in
23 this Act shall restrict or limit the ability of Federal law
24 enforcement agencies to investigate and prosecute money-
25 laundering crimes involving proceeds of illegal activity

1 other than marijuana-related activities conducted in com-
2 pliance with the law of the State, Indian Tribe, or political
3 subdivision of a State by a State-sanctioned marijuana
4 business or service provider.

5 **SEC. 16. DEEMING.**

6 In this Act, other than this section, each reference
7 to “this Act” is deemed a reference to “this division”.

