Subtitle A—In General

Subtitle B—SAFE Banking

Sec. 5421. Short title; table of contents; purpose.

(a) Short Title.—This subtitle may be cited as the “Secure And Fair Enforcement Banking Act of 2022” or the “SAFE Banking Act of 2022”.

(b) Table of Contents.—The table of contents for this subtitle is as follows:

Subtitle B—SAFE Banking

Sec. 5421. Short title; table of contents; purpose.
Sec. 5422. Safe harbor for depository institutions.
Sec. 5423. Protections for ancillary businesses.
Sec. 5424. Protections under Federal law.
Sec. 5425. Rules of construction.
Sec. 5426. Requirements for filing suspicious activity reports.
Sec. 5427. Guidance and examination procedures.
Sec. 5428. Annual diversity and inclusion report.
Sec. 5429. GAO study on diversity and inclusion.
Sec. 5430. GAO study on effectiveness of certain reports on finding certain persons.
Sec. 5431. Application of this subtitle with respect to hemp-related legitimate businesses and hemp-related service providers.
Sec. 5432. Banking services for hemp-related legitimate businesses and hemp-related service providers.
Sec. 5433. Requirements for deposit account termination requests and orders.
Sec. 5434. Definitions.
Sec. 5435. Discretionary surplus funds.
(c) PURPOSE.—The purpose of this subtitle is to increase public safety by ensuring access to financial services to cannabis-related legitimate businesses and service providers and reducing the amount of cash at such businesses.

SEC. 5422. SAFE HARBOR FOR DEPOSITORY INSTITUTIONS.

(a) In General.—A Federal banking regulator may not—

(1) terminate or limit the deposit insurance or share insurance of a depository institution under the Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.), the Federal Credit Union Act (12 U.S.C. 1751 et seq.), or take any other adverse action against a depository institution under section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818) solely because the depository institution provides or has provided financial services to a cannabis-related legitimate business or service provider;

(2) prohibit, penalize, or otherwise discourage a depository institution from providing financial services to a cannabis-related legitimate business or service provider or to a State, political subdivision of a State, or Indian Tribe that
exercises jurisdiction over cannabis-related legitimate businesses;

(3) recommend, incentivize, or encourage a depository institution not to offer financial services to an account holder, or to downgrade or cancel the financial services offered to an account holder solely because—

(A) the account holder is a cannabis-related legitimate business or service provider, or is an employee, owner, or operator of a cannabis-related legitimate business or service provider;

(B) the account holder later becomes an employee, owner, or operator of a cannabis-related legitimate business or service provider; or

(C) the depository institution was not aware that the account holder is an employee, owner, or operator of a cannabis-related legitimate business or service provider;

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

(A) a cannabis-related legitimate business or service provider, solely because the
business is a cannabis-related legitimate business or service provider;

(B) an employee, owner, or operator of a cannabis-related legitimate business or service provider, solely because the employee, owner, or operator is employed by, owns, or operates a cannabis-related legitimate business or service provider, as applicable; or

(C) an owner or operator of real estate or equipment that is leased to a cannabis-related legitimate business or service provider, solely because the owner or operator of the real estate or equipment leased the equipment or real estate to a cannabis-related legitimate business or service provider, as applicable; or

(5) prohibit or penalize a depository institution (or entity performing a financial service for or in association with a depository institution) for, or otherwise discourage a depository institution (or entity performing a financial service for or in association with a depository institution) from, engaging in a financial service
for a cannabis-related legitimate business or service provider.

(b) **Safe Harbor Applicable to De Novo Institutions.**—Subsection (a) shall apply to an institution applying for a depository institution charter to the same extent as such subsection applies to a depository institution.

**SEC. 5423. PROTECTIONS FOR ANCILLARY BUSINESSES.**

For the purposes of sections 1956 and 1957 of title 18, United States Code, and all other provisions of Federal law, the proceeds from a transaction involving activities of a cannabis-related legitimate business or service provider shall not be considered proceeds from an unlawful activity solely because—

(1) the transaction involves proceeds from a cannabis-related legitimate business or service provider; or

(2) the transaction involves proceeds from—

(A) cannabis-related activities described in section 5434(4)(B) conducted by a cannabis-related legitimate business; or

(B) activities described in section 5434(13)(A) conducted by a service provider.

**SEC. 5424. PROTECTIONS UNDER FEDERAL LAW.**

(a) **In General.**—With respect to providing a financial service to a cannabis-related legitimate business
where such cannabis-related legitimate business operates within a State, political subdivision of a State, or Indian country that allows the cultivation, production, manufacture, sale, transportation, display, dispensing, distribution, or purchase of cannabis pursuant to a law or regulation of such State, political subdivision, or Indian Tribe that has jurisdiction over the Indian country, as applicable) or a service provider (wherever located), a depository institution, entity performing a financial service for or in association with a depository institution, or insurer that provides a financial service to a cannabis-related legitimate business or service provider, and the officers, directors, and employees of that depository institution, entity, or insurer may not be held liable pursuant to any Federal law or regulation—

(1) solely for providing such a financial service;

or

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

(b) PROTECTIONS FOR FEDERAL RESERVE BANKS AND FEDERAL HOME LOAN BANKS.—With respect to providing a service to a depository institution that provides a financial service to a cannabis-related legitimate business (where such cannabis-related legitimate business operates within a State, political subdivision of a State,
or Indian country that allows the cultivation, production, manufacture, sale, transportation, display, dispensing, distribution, or purchase of cannabis pursuant to a law or regulation of such State, political subdivision, or Indian Tribe that has jurisdiction over the Indian country, as applicable) or service provider (wherever located), a Federal reserve bank or Federal Home Loan Bank, and the officers, directors, and employees of the Federal reserve bank or Federal Home Loan Bank, may not be held liable pursuant to any Federal law or regulation—

(1) solely for providing such a service; or

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

(e) PROTECTIONS FOR INSURERS.—With respect to engaging in the business of insurance within a State, political subdivision of a State, or Indian country that allows the cultivation, production, manufacture, sale, transportation, display, dispensing, distribution, or purchase of cannabis pursuant to a law or regulation of such State, political subdivision, or Indian Tribe that has jurisdiction over the Indian country, as applicable, an insurer that engages in the business of insurance with a cannabis-related legitimate business or service provider or who otherwise engages with a person in a transaction permissible under State law related to cannabis, and the officers, directors,
and employees of that insurer may not be held liable pursuant to any Federal law or regulation—

(1) solely for engaging in the business of insurance; or

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

(d) FORFEITURE.—

(1) DEPOSITORY INSTITUTIONS.—A depository institution that has a legal interest in the collateral for a loan or another financial service provided to an owner, employee, or operator of a cannabis-related legitimate business or service provider, or to an owner or operator of real estate or equipment that is leased or sold to a cannabis-related legitimate business or service provider, shall not be subject to criminal, civil, or administrative forfeiture of that legal interest pursuant to any Federal law for providing such loan or other financial service.

(2) FEDERAL RESERVE BANKS AND FEDERAL HOME LOAN BANKS.—A Federal reserve bank or Federal Home Loan Bank that has a legal interest in the collateral for a loan or another financial service provided to a depository institution that provides a financial service to a cannabis-related legitimate business or service provider, or to an owner or oper-
ator of real estate or equipment that is leased or
sold to a cannabis-related legitimate business or
service provider, shall not be subject to criminal,
civil, or administrative forfeiture of that legal inter-
est pursuant to any Federal law for providing such
loan or other financial service.

SEC. 5425. RULES OF CONSTRUCTION.

(a) No Requirement to Provide Financial
Services.—Nothing in this subtitle shall require a depos-
itory institution, entity performing a financial service for
or in association with a depository institution, or insurer
to provide financial services to a cannabis-related legiti-
mate business, service provider, or any other business.

(b) General Examination, Supervisory, and
Enforcement Authority.—Nothing in this subtitle
may be construed in any way as limiting or otherwise re-
stricting the general examination, supervisory, and en-
forcement authority of the Federal banking regulators,
provided that the basis for any supervisory or enforcement
action is not the provision of financial services to a can-
nabis-related legitimate business or service provider.

(c) Business of Insurance.—Nothing in this sub-
title shall interfere with the regulation of the business of
insurance in accordance with the Act of March 9, 1945
(59 Stat. 33, chapter 20; 15 U.S.C. 1011 et seq.) (com-
monly known as the “McCarran-Ferguson Act”) and the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5301 et seq.).

SEC. 5426. REQUIREMENTS FOR FILING SUSPICIOUS ACTIVITY REPORTS.

Section 5318(g) of title 31, United States Code, is amended by adding at the end the following:

“(5) REQUIREMENTS FOR CANNABIS-RELATED LEGITIMATE BUSINESSES.—

“(A) IN GENERAL.—With respect to a financial institution or any director, officer, employee, or agent of a financial institution that reports a suspicious transaction pursuant to this subsection, if the reason for the report relates to a cannabis-related legitimate business or service provider, the report shall comply with appropriate guidance issued by the Financial Crimes Enforcement Network. Not later than the end of the 180-day period beginning on the date of enactment of this paragraph, the Secretary shall update the February 14, 2014, guidance titled ‘BSA Expectations Regarding Marijuana-Related Businesses’ (FIN–2014–G001) to ensure that the guidance is consistent with the purpose and intent of the SAFE
Banking Act of 2022 and does not significantly inhibit the provision of financial services to a cannabis-related legitimate business or service provider in a State, political subdivision of a State, or Indian country that has allowed the cultivation, production, manufacture, transportation, display, dispensing, distribution, sale, or purchase of cannabis pursuant to law or regulation of such State, political subdivision, or Indian Tribe that has jurisdiction over the Indian country.

“(B) DEFINITIONS.—For purposes of this paragraph:

“(i) CANNABIS.—The term ‘cannabis’ has the meaning given the term ‘marihuana’ in section 102 of the Controlled Substances Act (21 U.S.C. 802).

“(ii) CANNABIS-RELATED LEGITIMATE BUSINESS.—The term ‘cannabis-related legitimate business’ has the meaning given that term in section 5434 of the SAFE Banking Act of 2022.

“(iii) INDIAN COUNTRY.—The term ‘Indian country’ has the meaning given that term in section 1151 of title 18.
“(iv) INDIAN TRIBE.—The term ‘Indian Tribe’ has the meaning given that term in section 102 of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 479a).

“(v) FINANCIAL SERVICE.—The term ‘financial service’ has the meaning given that term in section 5434 of the SAFE Banking Act of 2022.

“(vi) SERVICE PROVIDER.—The term ‘service provider’ has the meaning given that term in section 5434 of the SAFE Banking Act of 2022.

“(vii) STATE.—The term ‘State’ means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.”.

SEC. 5427. GUIDANCE AND EXAMINATION PROCEDURES.

Not later than 180 days after the date of enactment of this Act, the Financial Institutions Examination Council shall develop uniform guidance and examination procedures for depository institutions that provide financial services to cannabis-related legitimate businesses and service providers.
SEC. 5428. ANNUAL DIVERSITY AND INCLUSION REPORT.

The Federal banking regulators shall issue an annual report to Congress containing—

(1) information and data on the availability of access to financial services for minority-owned and women-owned cannabis-related legitimate businesses; and

(2) any regulatory or legislative recommendations for expanding access to financial services for minority-owned and women-owned cannabis-related legitimate businesses.

SEC. 5429. GAO STUDY ON DIVERSITY AND INCLUSION.

(a) STUDY.—The Comptroller General of the United States shall carry out a study on the barriers to marketplace entry, including in the licensing process, and the access to financial services for potential and existing minority-owned and women-owned cannabis-related legitimate businesses.

(b) REPORT.—The Comptroller General shall issue a report to the Congress—

(1) containing all findings and determinations made in carrying out the study required under subsection (a); and

(2) containing any regulatory or legislative recommendations for removing barriers to marketplace entry, including in the licensing process, and ex-
panding access to financial services for potential and existing minority-owned and women-owned cannabis-related legitimate businesses.

SEC. 5430. GAO STUDY ON EFFECTIVENESS OF CERTAIN REPORTS ON FINDING CERTAIN PERSONS.

Not later than 2 years after the date of the enactment of this Act, the Comptroller General of the United States shall carry out a study on the effectiveness of reports on suspicious transactions filed pursuant to section 5318(g) of title 31, United States Code, at finding individuals or organizations suspected or known to be engaged with transnational criminal organizations and whether any such engagement exists in a State, political subdivision, or Indian Tribe that has jurisdiction over Indian country that allows the cultivation, production, manufacture, sale, transportation, display, dispensing, distribution, or purchase of cannabis. The study shall examine reports on suspicious transactions as follows:

(1) During the period of 2014 until the date of the enactment of this Act, reports relating to marijuana-related businesses.

(2) During the 1-year period after date of the enactment of this Act, reports relating to cannabis-related legitimate businesses.
SEC. 5431. APPLICATION OF THIS SUBTITLE WITH RESPECT TO HEMP-RELATED LEGITIMATE BUSINESSES AND HEMP-RELATED SERVICE PROVIDERS.

(a) In general.—The provisions of this subtitle (other than sections 5426 and 5430) shall apply with respect to hemp-related legitimate businesses and hemp-related service providers in the same manner as such provisions apply with respect to cannabis-related legitimate businesses and service providers.

(b) Definitions.—In this section:

(1) CBD.—The term “CBD” means cannabidiol.

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

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

(A) engages in any activity described in subparagraph (B) in conformity with the Agricultural Improvement Act of 2018 (Public Law 115–334) and the regulations issued to implement such Act by the Department of Agriculture, where applicable, and the law of a
State or political subdivision thereof or Indian Tribe; and

(B) participates in any business or organized activity that involves handling hemp, hemp-derived CBD products, and other hemp-derived cannabinoid products, including cultivating, producing, extracting, manufacturing, selling, transporting, displaying, dispensing, distributing, or purchasing hemp, hemp-derived CBD products, and other hemp-derived cannabinoid products.

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

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

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

(ii) provides any business services, including the sale or lease of real or any other property, legal or other licensed services, or any other ancillary service, relating to hemp, hemp-derived CBD products, or other hemp-derived cannabinoid products; and
(B) does not include a business, organization, or other person that participates in any business or organized activity that involves handling hemp, hemp-derived CBD products, or other hemp-derived cannabinoid products, including cultivating, producing, manufacturing, selling, transporting, displaying, dispensing, distributing, or purchasing hemp, hemp-derived CBD products, and other hemp-derived cannabinoid products.

SEC. 5432. BANKING SERVICES FOR HEMP-RELATED LEGITIMATE BUSINESSES AND HEMP-RELATED SERVICE PROVIDERS.

(a) FINDINGS.—The Congress finds that—

(1) the Agriculture Improvement Act of 2018 (Public Law 115–334) legalized hemp by removing it from the definition of “marihuana” under the Controlled Substances Act;

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

(3) businesses involved in the sale of hemp-derived CBD products are particularly affected, due to confusion about the legal status of such products.
(b) Federal Banking Regulators’ Hemp Banking Guidance.—Not later than the end of the 90-day period beginning on the date of enactment of this Act, the Federal banking regulators shall update their existing guidance, as applicable, regarding the provision of financial services to hemp-related legitimate businesses and hemp-related service providers to address—

(1) compliance with financial institutions’ existing obligations under Federal laws and implementing regulations determined relevant by the Federal banking regulators, including subchapter II of chapter 53 of title 31, United States Code, and its implementing regulation in conformity with this subtitle and the Department of Agriculture’s rules regulating domestic hemp production (7 CFR 990); and

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

(c) Definitions.—In this section:

(1) FINANCIAL INSTITUTION.—The term “financial institution”—

(A) has the meaning given that term under section 5312(a) of title 31, United States Code;
(B) includes a bank holding company, as defined under section 2(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(a)).

(2) **Hemp** terms.—The terms “CBD”, “hemp”, “hemp-related legitimate business”, and “hemp-related service provider” have the meaning given those terms, respectively, under section 5431.

**SEC. 5433. REQUIREMENTS FOR DEPOSIT ACCOUNT TERMINATION REQUESTS AND ORDERS.**

(a) **Termination Requests or Orders Must Be Valid.**—

(1) **In General.**—An appropriate Federal banking agency may not formally or informally request or order a depository institution to terminate a specific customer account or group of customer accounts or to otherwise restrict or discourage a depository institution from entering into or maintaining a banking relationship with a specific customer or group of customers unless—

(A) the agency has a valid reason for such request or order; and

(B) such reason is not based solely on reputation risk.

(2) **Treatment of National Security Threats.**—If an appropriate Federal banking agen-
cy believes a specific customer or group of customers

is, or is acting as a conduit for, an entity which—

(A) poses a threat to national security;

(B) is involved in terrorist financing;

(C) is an agency of the Government of

Iran, North Korea, Syria, or any country listed

from time to time on the State Sponsors of

Terrorism list;

(D) is located in, or is subject to the juris-
diction of, any country specified in subpara-

graph (C); or

(E) does business with any entity described

in subparagraph (C) or (D), unless the appro-
priate Federal banking agency determines that

the customer or group of customers has used
due diligence to avoid doing business with any

entity described in subparagraph (C) or (D),
such belief shall satisfy the requirement under para-

graph (1).

(b) NOTICE REQUIREMENT.—

(1) IN GENERAL.—If an appropriate Federal

banking agency formally or informally requests or

orders a depository institution to terminate a spe-
cific customer account or a group of customer ac-

counts, the agency shall—
(A) provide such request or order to the institution in writing; and

(B) accompany such request or order with a written justification for why such termination is needed, including any specific laws or regulations the agency believes are being violated by the customer or group of customers, if any.

(2) JUSTIFICATION REQUIREMENT.—A justification described under paragraph (1)(B) may not be based solely on the reputation risk to the depository institution.

(c) CUSTOMER NOTICE.—

(1) NOTICE REQUIRED.—Except as provided under paragraph (2) or as otherwise prohibited from being disclosed by law, if an appropriate Federal banking agency orders a depository institution to terminate a specific customer account or a group of customer accounts, the depository institution shall inform the specific customer or group of customers of the justification for the customer’s account termination described under subsection (b).

(2) NOTICE PROHIBITED.—

(A) NOTICE PROHIBITED IN CASES OF NATIONAL SECURITY.—If an appropriate Federal banking agency requests or orders a depository
institutions to terminate a specific customer account or a group of customer accounts based on a belief that the customer or customers pose a threat to national security, or are otherwise described under subsection (a)(2), neither the depository institution nor the appropriate Federal banking agency may inform the customer or customers of the justification for the customer’s account termination.

(B) NOTICE PROHIBITED IN OTHER CASES.—If an appropriate Federal banking agency determines that the notice required under paragraph (1) may interfere with an authorized criminal investigation, neither the depository institution nor the appropriate Federal banking agency may inform the specific customer or group of customers of the justification for the customer’s account termination.

(d) REPORTING REQUIREMENT.—Each appropriate Federal banking agency shall issue an annual report to the Congress stating—

(1) the aggregate number of specific customer accounts that the agency requested or ordered a depository institution to terminate during the previous year; and
(2) the legal authority on which the agency re-
lied in making such requests and orders and the fre-
quency on which the agency relied on each such au-
thority.

(e) DEFINITIONS.—For purposes of this section:

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

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

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

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

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

(B) an insured credit union.

SEC. 5434. DEFINITIONS.

In this subtitle:

(1) BUSINESS OF INSURANCE.—The term
“business of insurance” has the meaning given such
term in section 1002 of the Dodd-Frank Wall Street

(2) CANNABIS.—The term “cannabis” has the meaning given the term “marihuana” in section 102 of the Controlled Substances Act (21 U.S.C. 802).

(3) CANNABIS PRODUCT.—The term “cannabis product” means any article which contains cannabis, including an article which is a concentrate, an edible, a tincture, a cannabis-infused product, or a topical.

(4) CANNABIS-RELATED LEGITIMATE BUSINESS.—The term “cannabis-related legitimate business” means a manufacturer, producer, or any person or company that—

(A) engages in any activity described in subparagraph (B) pursuant to a law established by a State or a political subdivision of a State, as determined by such State or political subdivision; and

(B) participates in any business or organized activity that involves handling cannabis or cannabis products, including cultivating, producing, manufacturing, selling, transporting, displaying, dispensing, distributing, or purchasing cannabis or cannabis products.
(5) **DEPOSITORY INSTITUTION.**—The term "depository institution" means—

(A) a depository institution as defined in section 3(c) of the Federal Deposit Insurance Act (12 U.S.C. 1813(c));

(B) a Federal credit union as defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752); or

(C) a State credit union as defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752).

(6) **FEDERAL BANKING REGULATOR.**—The term "Federal banking regulator" means each of the Board of Governors of the Federal Reserve System, the Bureau of Consumer Financial Protection, the Federal Deposit Insurance Corporation, the Federal Housing Finance Agency, the Financial Crimes Enforcement Network, the Office of Foreign Asset Control, the Office of the Comptroller of the Currency, the National Credit Union Administration, the Department of the Treasury, or any Federal agency or department that regulates banking or financial services, as determined by the Secretary of the Treasury.
(7) FINANCIAL SERVICE.—The term “financial service”—

(A) means a financial product or service, as defined in section 1002 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5481), regardless if the customer receiving the product or service is a consumer or commercial entity;

(B) means a financial product or service, or any combination of products and services, permitted to be provided by—

(i) a national bank or a financial subsidiary pursuant to the authority provided under—

(I) the provision designated “Seventh” of section 5136 of the Revised Statutes of the United States (12 U.S.C. 24); or

(II) section 5136A of the Revised Statutes of the United States (12 U.S.C. 24a); and

(ii) a Federal credit union, pursuant to the authority provided under the Federal Credit Union Act;

(C) includes the business of insurance;
(D) includes, whether performed directly or indirectly, the authorizing, processing, clearing, settling, billing, transferring for deposit, transmitting, delivering, instructing to be delivered, reconciling, collecting, or otherwise effectuating or facilitating of payments or funds, where such payments or funds are made or transferred by any means, including by the use of credit cards, debit cards, other payment cards, or other access devices, accounts, original or substitute checks, or electronic funds transfers;

(E) includes acting as a money transmitting business which directly or indirectly makes use of a depository institution in connection with effectuating or facilitating a payment for a cannabis-related legitimate business or service provider in compliance with section 5330 of title 31, United States Code, and any applicable State law; and

(F) includes acting as an armored car service for processing and depositing with a depository institution or a Federal reserve bank with respect to any monetary instruments (as defined under section 1956(c)(5) of title 18, United States Code.
(8) INDIAN COUNTRY.—The term “Indian country” has the meaning given that term in section 1151 of title 18.

(9) INDIAN TRIBE.—The term “Indian Tribe” has the meaning given that term in section 102 of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 479a).

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

(11) MANUFACTURER.—The term “manufacturer” means a person who manufactures, compounds, converts, processes, prepares, or packages cannabis or cannabis products.

(12) PRODUCER.—The term “producer” means a person who plants, cultivates, harvests, or in any way facilitates the natural growth of cannabis.

(13) SERVICE PROVIDER.—The term “service provider”—

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

(i) sells goods or services to a cannabis-related legitimate business; or

(ii) provides any business services, including the sale or lease of real or any
other property, legal or other licensed services, or any other ancillary service, relating to cannabis; and

(B) does not include a business, organization, or other person that participates in any business or organized activity that involves handling cannabis or cannabis products, including cultivating, producing, manufacturing, selling, transporting, displaying, dispensing, distributing, or purchasing cannabis or cannabis products.

(14) STATE.—The term “State” means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

SEC. 5435. DISCRETIONARY SURPLUS FUNDS.

Section 7(a)(3)(A) of the Federal Reserve Act (12 U.S.C. 289(a)(3)(A)) is amended by reducing the dollar figure by $6,000,000.