

**Cannabis, Cash and Banks:
When Public Policy Is Changing and Taxes and Safety Becomes The Focus**

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The conflicts between state and federal cannabis laws have led to practical problems in the banking industry, for financial institutions, cannabis purveyors, vendors to those purveyors, and customers of those purveyors. The current position of most financial institutions and their regulators has led to the use of cash and various cash avoidance schemes that have deprived taxing authorities of the full amounts of taxes owed, and have caused significant and serious public safety concerns for companies, consumers and governmental agencies.

This Symposium paper will build on a prior article of my law firm colleagues (B. Abbott and J. Zack, “ Current Banking Issues in the Cannabis Industry,” *72 Consumer Finance Law Quarterly Report* 390-96 (2018)) and discuss the current state of the law concerning banking for the cannabis industry, including lending to, and deposit-taking from, a wide range of industry participants. My paper will bring the Symposium attendees up to date on recent activities by major governmental entities in the area, including the Congress, financial institution prudential federal and state regulators, the Financial Crimes Enforcement Network, state and federal criminal authorities, and other involved parties.

As noted in your Call for Papers, the continued placement of marijuana as a federal Schedule 1 drug, with simultaneous state legalization, has created complex and difficult-to-resolve legal complexities for this multibillion-dollar industry, and this intersection and conflict has brought with it unusual, if not unique, constitutional and legal issues. Moreover, regardless of the intellectually interesting legal issues this conflict raises for lawyers, the practical societal issues caused by this conflict for business people and governments are ones that have to be openly discussed and resolved. For those reasons, I would welcome an opportunity to assist in that effort by participating in your Seminar.