

S 1323

SAFE Banking Act of 2023

Congress: 118 (2023–2025, Ended)

Chamber: Senate

Policy Area: Finance and Financial Sector

Introduced: Apr 26, 2023

Current Status: Committee on Banking, Housing, and Urban Affairs. Hearings held.

Latest Action: Committee on Banking, Housing, and Urban Affairs. Hearings held. (May 11, 2023)

Official Text: <https://www.congress.gov/bill/118th-congress/senate-bill/1323>

Sponsor

Name: Sen. Merkley, Jeff [D-OR]

Party: Democratic • **State:** OR • **Chamber:** Senate

Cosponsors (42 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Bennet, Michael F. [D-CO]	D · CO		Apr 26, 2023
Sen. Cassidy, Bill [R-LA]	R · LA		Apr 26, 2023
Sen. Coons, Christopher A. [D-DE]	D · DE		Apr 26, 2023
Sen. Cortez Masto, Catherine [D-NV]	D · NV		Apr 26, 2023
Sen. Cramer, Kevin [R-ND]	R · ND		Apr 26, 2023
Sen. Daines, Steve [R-MT]	R · MT		Apr 26, 2023
Sen. Duckworth, Tammy [D-IL]	D · IL		Apr 26, 2023
Sen. Durbin, Richard J. [D-IL]	D · IL		Apr 26, 2023
Sen. Fetterman, John [D-PA]	D · PA		Apr 26, 2023
Sen. Gillibrand, Kirsten E. [D-NY]	D · NY		Apr 26, 2023
Sen. Heinrich, Martin [D-NM]	D · NM		Apr 26, 2023
Sen. Hickenlooper, John W. [D-CO]	D · CO		Apr 26, 2023
Sen. Hirono, Mazie K. [D-HI]	D · HI		Apr 26, 2023
Sen. Kaine, Tim [D-VA]	D · VA		Apr 26, 2023
Sen. Kelly, Mark [D-AZ]	D · AZ		Apr 26, 2023
Sen. King, Angus S., Jr. [I-ME]	I · ME		Apr 26, 2023
Sen. Klobuchar, Amy [D-MN]	D · MN		Apr 26, 2023
Sen. Lujan, Ben Ray [D-NM]	D · NM		Apr 26, 2023
Sen. Lummis, Cynthia M. [R-WY]	R · WY		Apr 26, 2023
Sen. Markey, Edward J. [D-MA]	D · MA		Apr 26, 2023
Sen. Menendez, Robert [D-NJ]	D · NJ		Apr 26, 2023
Sen. Murkowski, Lisa [R-AK]	R · AK		Apr 26, 2023
Sen. Murphy, Christopher [D-CT]	D · CT		Apr 26, 2023
Sen. Murray, Patty [D-WA]	D · WA		Apr 26, 2023
Sen. Padilla, Alex [D-CA]	D · CA		Apr 26, 2023
Sen. Paul, Rand [R-KY]	R · KY		Apr 26, 2023
Sen. Peters, Gary C. [D-MI]	D · MI		Apr 26, 2023
Sen. Rosen, Jacky [D-NV]	D · NV		Apr 26, 2023
Sen. Sanders, Bernard [I-VT]	I · VT		Apr 26, 2023
Sen. Schatz, Brian [D-HI]	D · HI		Apr 26, 2023
Sen. Sinema, Kyrsten [I-AZ]	I · AZ		Apr 26, 2023
Sen. Smith, Tina [D-MN]	D · MN		Apr 26, 2023
Sen. Stabenow, Debbie [D-MI]	D · MI		Apr 26, 2023
Sen. Sullivan, Dan [R-AK]	R · AK		Apr 26, 2023
Sen. Tester, Jon [D-MT]	D · MT		Apr 26, 2023
Sen. Warner, Mark R. [D-VA]	D · VA		Apr 26, 2023
Sen. Warren, Elizabeth [D-MA]	D · MA		Apr 26, 2023
Sen. Welch, Peter [D-VT]	D · VT		Apr 26, 2023
Sen. Wyden, Ron [D-OR]	D · OR		Apr 26, 2023
Sen. Baldwin, Tammy [D-WI]	D · WI		May 31, 2023
Sen. Collins, Susan M. [R-ME]	R · ME		Jul 13, 2023

Cosponsor	Party / State	Role	Date Joined
Sen. Feinstein, Dianne [D-CA]	D · CA		Jul 26, 2023

Committee Activity

Committee	Chamber	Activity	Date
Banking, Housing, and Urban Affairs Committee	Senate	Hearings By (full committee)	May 11, 2023

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

Bill	Relationship	Last Action
118 S 2860	Related bill	Dec 6, 2023: Committee on Banking, Housing, and Urban Affairs. Hearings held.
118 HR 2891	Identical bill	May 3, 2023: Referred to the Subcommittee on Economic Opportunity.

Summary (as of Apr 26, 2023)

Secure and Fair Enforcement Banking Act of 2023 or the SAFE Banking Act of 2023

This bill provides protections for federally regulated financial institutions that serve state-sanctioned marijuana businesses. Currently, many financial institutions do not provide services to state-sanctioned marijuana businesses due to the federal classification of marijuana as a Schedule I controlled substance.

Under the bill, a federal banking regulator may not penalize a depository institution for providing banking services to a state-sanctioned marijuana business. For example, regulators may not terminate or limit the deposit or share insurance of a depository institution solely because the institution provides financial services to a state-sanctioned marijuana business.

The bill also prohibits a federal banking regulator from requesting or ordering a depository institution to terminate a customer account unless (1) the regulator has determined that the depository institution is engaging in an unsafe or unsound practice or is violating a law or regulation, and (2) that determination is not based primarily on reputation risk.

Additionally, proceeds from a transaction involving activities of a state-sanctioned marijuana business are no longer considered proceeds from unlawful activity. (Financial institutions that handle proceeds from unlawful activity are subject to anti-money laundering laws. Violators of these laws are subject to fines and imprisonment.)

Furthermore, a financial institution, insurer, or federal agency may not be held liable or subject to asset forfeiture under federal law for providing a loan, mortgage, or other financial service to a state-sanctioned marijuana business.

Actions Timeline

- **May 11, 2023:** Committee on Banking, Housing, and Urban Affairs. Hearings held.
- **Apr 26, 2023:** Introduced in Senate
- **Apr 26, 2023:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.