

United States Senate

WASHINGTON, DC 20510

April 2, 2019

The Honorable Jelena McWilliams
Chairwoman
Federal Deposit Insurance Corporation
550 17th Street, N.W.,
Washington, D.C. 20429

Dear Chairwoman McWilliams:

The Agriculture Improvement Act of 2018 (2018 Farm Bill) was signed into law by President Trump on December 20, 2018. It contained provisions from legislation we authored – the Hemp Farming Act of 2018 – to remove hemp and its derivatives from the federal list of controlled substances, to affirm hemp as a legal agricultural commodity, and to authorize the production, consumption, and sale of hemp and hemp-derived products in the United States. Kentucky and Oregon have been on the forefront of hemp production ever since the authorization of industrial hemp pilot programs under the 2014 Farm Bill. Hemp farmers and producers in our states and across the country are excited to explore the full economic opportunities for hemp after the passage of the 2018 Farm Bill. Unfortunately, the hemp industry continues to face challenges with regulatory uncertainty as federal agencies work to implement this significant change in federal law.

One challenge facing the industry is the inability to access capital and traditional lending services through banks. We have consistently heard from lawful hemp farmers and producers about the lack of access to financial products from banks. Many of them have faced difficulty securing financing and credit products to start or expand their businesses, and difficulty establishing accounts to manage cash flow and business expenses.

While some banks have agreed to offer financial services to the growing hemp industry, many banks have not due to confusion over the legal status of hemp. However, as hemp is no longer a controlled substance, banks should feel secure in engaging with this industry.

With these concerns in mind, we are asking the Federal Deposit Insurance Corporation (FDIC) to offer guidance to ease any concerns banks may have with providing services to legal hemp businesses. Legal hemp businesses should be treated just like any other businesses and not discriminated against. We believe clarification from the FDIC on this front would help ensure this legal industry can compete on a level playing field.

Thank you for your prompt attention to this important matter, and we look forward to your response.

Sincerely,



Mitch McConnell
United States Senator



Ron Wyden
United States Senator