
**Board of Governors of the Federal Reserve System
Federal Deposit Insurance Corporation
National Credit Union Administration
Office of the Comptroller of the Currency**

November 15, 2013

The Honorable Jay Inslee
Governor
P.O. Box 40002
Olympia, Washington 98504

RECEIVED

NOV 27 2013

Office of the Governor

Dear Governor Inslee:

The Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the National Credit Union Administration, and the Office of the Comptroller of the Currency (collectively, the Agencies) are in receipt of your letter dated October 2, 2013, regarding an August 29, 2013, memorandum issued by Deputy Attorney General James M. Cole (Cole Memo). The Cole Memo provided guidance to federal prosecutors about enforcement of federal marijuana laws in light of state ballot initiatives that legalize under state law the possession of small amounts of marijuana and provide for the regulation of marijuana production, processing, and sale. In your letter, you encourage the Agencies to provide guidance to regulated depository institutions about providing banking services to licensed marijuana dispensaries.

We note that shortly after issuance of the Cole Memo on September 10, 2013, Deputy Attorney General Cole testified before the Senate Judiciary Committee. During the question and answer session following Deputy Attorney General Cole's testimony, he discussed the uncertainties that continue to surround the issue of providing banking services to marijuana dispensaries. Specifically, Deputy Attorney General Cole acknowledged the need for clarity on this issue, and indicated that the Department of Justice (DOJ) is working with the Financial Crimes Enforcement Network (FinCEN) to discuss ways to resolve the matter in accordance with current law. FinCEN is the Administrator of the Bank Secrecy Act and FinCEN staff confirms they are in discussions with their counterparts at DOJ. Until these discussions result in an agreed upon approach, we believe it is premature to provide guidance to the banking industry. Once the Justice Department and FinCEN agree upon an approach, the Agencies will be able to consider whether guidance would be appropriate.

The decision to open, close, or decline a particular account or relationship is typically made by a depository institution without involvement by its supervisor, consistent with applicable law and regulation. This decision is based on the institution's particular business objectives, an evaluation of the risks associated with offering particular products or services, and its capacity and systems to effectively manage those risks.

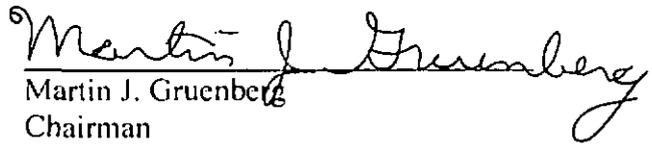
As financial regulators, our responsibility and statutory obligation is to ensure the safety and soundness of the U.S. banking system and of the depository institutions that we supervise. We also recognize the importance of ensuring public access to financial services within an environment that promotes trust and confidence. To accomplish these goals, we conduct regular examinations of financial institutions for compliance with applicable laws, regulations, and regulatory guidance and communicate our findings to senior management.

We hope you find this information helpful.

Sincerely,



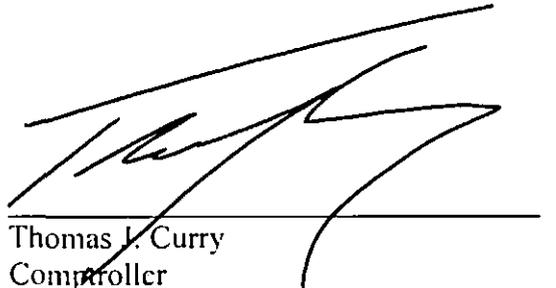
Ben S. Bernanke
Chairman
Board of Governors of the
Federal Reserve System



Martin J. Gruenberg
Chairman
Federal Deposit Insurance Corporation



Deborah Matz
Chairman
National Credit Union Administration



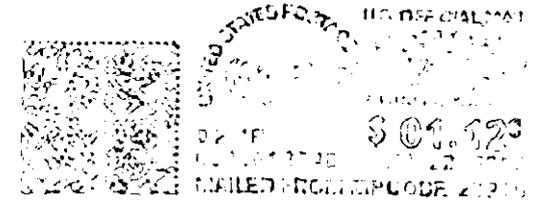
Thomas J. Curry
Comptroller
Office of the Comptroller of the Currency



Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

OFFICIAL BUSINESS
Penalty for Private Use, \$300



**The Honorable Jay Inslee
Governor
P.O. box 40002
Olympia, Washington 98504**

