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United States Senate

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November 12, 2019

The Honorable Jelena McWilliams
Chairman
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

Dear Chair McWilliams:

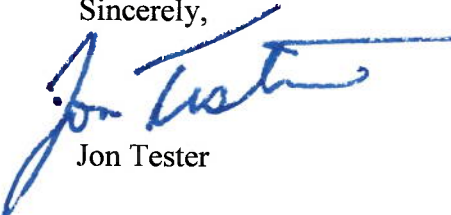
I write today to urge the Federal Deposit Insurance Corporation (FDIC) to expedite guidance to financial institutions looking to provide bank services to the growing hemp industry. As you know, Section 10113 of the Agriculture Improvement Act of 2018 removes hemp from the list of Schedule I controlled substances and paves the way for the production of industrial hemp. Growing hemp is an important economic opportunity for our nation's farmers who are currently facing low commodity prices, extreme weather patterns, and financial hardships as a result of the current trade war. It is critical that the FDIC move quickly to remove red tape holding back the hemp industry and provide certainty for financial institutions to bank this growing sector.

The U.S. Department of Agriculture's recent announcement of the U.S. Domestic Hemp Production Program is a positive step in implementing the changes Congress made in the 2018 Farm Bill, but changes have not been made clearly or quickly enough. Lack of guidance continues uncertainty for the financial industry regarding what types of businesses and products are bankable. From a practical standpoint, this guidance prevents banks from providing everyday services to hemp producers. Services like checking and savings accounts on hemp earnings or operating loans for hemp operations.

I am hearing from producers in Montana that are having difficulty banking and accessing capital due to lack of clarity from federal regulators to financial institutions. Congress ended the era of uncertainty on our federal policy for banking hemp by fully removing hemp from the Controlled Substance list when it passed the 2018 Farm Bill. I urge you to cut red tape for Montana farmers and businesses, and expeditiously update your hemp policies

I look forward to working with you on this and other issues to ensure that we remove barriers in our rural economies. Thank you for your consideration.

Sincerely,



Jon Tester