California State Treasurer's Office

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Treasurer Fiona Ma Convenes State, Banking and Cannabis Leaders to Advance Safe and Legal Banking Access

Forum examined persistent financial barriers facing California's legal cannabis industry and identified opportunities to improve safety, compliance and transparency

SACRAMENTO – California State Treasurer Fiona Ma, CPA, convened government officials, financial institutions, regulators, labor representatives, business owners, and cannabis industry leaders on Wednesday, July 29, at the California State Treasurer's Office in Sacramento for "Continuing the Conversation: Advancing Safe and Legal Banking for California's Cannabis Industry."

The informational forum examined the banking challenges that continue to affect California's legal cannabis market nearly a decade after the Cannabis Banking Working Group was convened under former State Treasurer John Chiang. Participants discussed how limited access to conventional banking, lending and payment services can increase operating costs, complicate tax and regulatory compliance and require businesses to handle larger amounts of cash, creating additional public safety and administrative concerns.

"California's legal cannabis businesses should be able to operate through safe, transparent and accountable financial systems," said Treasurer Ma. "This forum brought together the people working on these issues from every angle so we can better understand what is working, where barriers remain and what practical steps can strengthen access to responsible banking services."

The forum featured four panels:

- The Current Landscape: A Decade Later
- Banking, Compliance & Financial Innovation

- Government Operations, Public Safety & Tax Administration
- Industry Perspectives & The Road Ahead

Panelists included:

- Clint Kellum, Director, California Department of Cannabis Control
- Chris Shultz, Vice President, Government Relations, California Bankers Association
- Tim Rademaker, Vice President of Cannabis Banking, Mission Valley Bank
- Adam Crabtree, CEO and Founder, NCS Analytics
- Pat Duncan, Vice President of Cannabis Banking, Community First Credit Union
- Frank Espinoza, Executive Vice President and Chief Risk Officer, South Bay Credit Union
- Trista Gonzalez, Director, California Department of Tax and Fee Administration
- Jolena Voorhis, Legislative Advocate, League of California Cities
- Aaron Markowitz, Head of Government Relations and Compliance and Licensing, NABIS
- Jim Araby, Strategic Campaigns Director, UFCW Local 5
- Carlos "Los" Arias, Co-founder and CEO, Green Horizons
- Lauren Carpenter, Co-founder and CEO, Embarc
- Terry Wheatley, Chairwoman of the Board, CannaCraft

Key takeaways from the discussion included:

- Federal-state conflict remains the primary barrier to broader banking access. Panelists said California has developed a mature licensing and regulatory system, but federal requirements and uncertainty continue to discourage additional banks and credit unions from serving the industry. Participants also discussed the need for clearer, more consistent federal guidance.
- Cannabis banking is possible, but duplicative compliance requirements make it costly and difficult to scale. Financial institutions described having to repeatedly verify information already collected by state regulators, conduct extensive account reviews and maintain specialized compliance systems. Those costs are often passed on to businesses, with smaller operators particularly likely to be priced out.
- Greater access to banking and affordable capital would improve public safety and business stability. Panelists shared examples of businesses substantially reducing the amount of cash kept on-site after gaining access to banking, while industry representatives described reliance on expensive private financing that can limit growth, threaten jobs and make it harder for licensed businesses to compete.

- Banking reform must be paired with enforcement, regulatory coordination and support for the legal market. Participants emphasized that banking access alone will not eliminate the illicit market. They called for coordinated enforcement, reduced regulatory friction, improved legal retail access, greater public education and stronger collaboration among state, federal and local agencies.

Watch the forum on the Treasurer's YouTube channel: https://www.youtube.com/@californiastatetreasurer.

View event photos: 20260729 Cannabis.

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Fiona Ma is California's 34th State Treasurer. She is the first woman of color, and the first woman Certified Public Accountant (CPA) elected to the position. Treasurer Ma serves as the state's banker and is agent of sale for all state bonds and trustee of billions of dollars of state indebtedness. The State Treasurer's Office also processes more than $3 trillion in banking transactions annually and manages a $150 billion investment portfolio. As State Treasurer, Ma is also chair of many boards, commissions, and authorities that provide financing for schools, housing, recycling and waste management, alternative energy, hospitals, and other projects that create jobs, improve California's economy, and better the lives of residents.