



Issues & Answers



March 2026

Mission Aligned, Impact Amplified



*By Duncan Taylor,
President and CEO,
Washington Bankers
Association*

As we reflect on this year's Bankers Day in Olympia, one theme rises clearly to the surface: when our mission is aligned, our impact is amplified. Our Hill day this year did not center around a singular legislative proposal or policy debate; because of that, it offered something more powerful – an opportunity to tell our industry's story. And we did exactly that.

Because we were able to work quickly to neutralize many of the challenges we faced at the start of the session, we had the space to encourage our bankers to focus on the broader, ongoing contributions Washington's banks make to the communities we serve.

Through Bankers Care, we framed our conversations around service, financial education, affordable housing, fraud prevention, volunteerism, and community investment; all tangible ways that banks show up every day beyond the balance sheet.

Telling the Story of Impact

At its core, Bankers Day, just like Bankers Care, is about engagement. Face-to-face conversations with lawmakers are one of the most effective tools we have to influence policy. This year, those conversations centered on demonstrating how banks are embedded in their communities – not just as lenders, but as educators, partners, and problem-solvers.

Across Washington, bankers dedicate thousands of hours to teaching financial literacy, mentoring young professionals, partnering with affordable housing efforts, counseling customers on homeownership, and helping people identify and prevent fraud. These efforts are not side projects. They are fundamental to who we are as an industry.

We also highlighted the broader commitment banks make to reinvest in their communities. While banking insiders know this as the Community Reinvestment Act, we spoke with legislators in plain, jargon-free language: banks thrive when their communities thrive. Whether through small-business lending, affordable housing financing, community development

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Connect with the WBA online by following us on our social media accounts.

On the Cover

The famous cherry blossoms on the Quad at the University of Washington bloom in the sunshine in the peak of a spring display. Every year thousands of students and visitors to the campus stop to take pictures of the trees located in full bloom throughout the campus.

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investments, or charitable giving, banks continually reinvest in the neighborhoods they serve.

Why This Approach Matters

With this year's focus on community impact, we were able to expand legislators' understanding of the many facets of our work and the depth of our impact. When we tell stories about helping first-time homebuyers navigate complex markets, partnering with nonprofits to build affordable housing, or combating fraud targeting vulnerable customers, we humanize the work of banking. We believe that these conversations create credibility that strengthens us now and positions us well for later, when complex policy debates or taxation threats arise again.

Bankers Day 2026 served as a reminder that advocacy is not only about asking for something today; it is about building trust that will help us tomorrow.

Preparing for the ABA Washington Summit in D.C.

We will carry this same approach forward in early March when we head to Washington, D.C., for the ABA's annual Washington Summit. The Summit brings together about 2,000 bankers from across the country for the industry's premier policy conference. It is an opportunity to learn about emerging national issues, hear directly from leaders shaping financial policy, and spend an afternoon on Capitol Hill meeting with members of Congress.

As with Bankers Day in Olympia, we will emphasize the importance of connecting policy conversations to community outcomes. Federal discussions about taxation, regulation, housing, and consumer protection all ultimately affect real people – families, entrepreneurs, farmers, and retirees. By grounding those conversations in lived experience, our delegation can reinforce the essential role banks play nationwide.

A particularly meaningful component of the Washington Summit is the participation of future leaders from Washington banks. Each year, we strategically bring several future leaders to D.C. to introduce them to national-level advocacy. For many, it is their first time participating in congressional meetings.

Understanding advocacy is critical for the next generation of bank leadership. Policy decisions shape the competitive landscape, influence lending environments, and affect how we serve customers. By exposing future leaders to this process early, we strengthen Washington banks' long-term voice.

Mission in Action

Bankers Care is not just a slogan or lip service; it reflects the genuine values that guide our profession. Service, financial inclusion, economic opportunity, and responsible stewardship are core pillars of our work. Our sustained influence comes from consistent engagement and a clear articulation of who we are and why Washington's banks matter.

Thank you to everyone who participated in Bankers Day, shared stories from your institutions, and continues to give back in ways that strengthen communities across Washington. Thank you for mentoring students, protecting customers from fraud, supporting small businesses, and investing in local growth.

Mission aligned. Impact amplified. That is the work before us – and the work we will continue together. Huzzah!

Fighting on for Banks in 2026



By Rob Nichols, President & CEO,
American Bankers Association

In just the first few weeks of 2026, the banking industry faced two separate and significant policy challenges.

The first was a fight over the future of stablecoins and digital asset regulation, which heated up as 2025 drew

to a close and lawmakers were considering new market structure legislation. For bankers, this legislation represented an opportunity to close a critical loophole in the Genius Act that allowed stablecoin partners and affiliates to offer yield-like rewards, clearly undermining the intention of the Genius Act's ban on issuers paying interest.

The threat to the banking sector was clear: failure to address the loophole could lead to billions of dollars in deposits exiting banks, which would have severe downstream effects on local lending and economic growth.

The second major challenge we faced came when the president in early January expressed support for a 10% credit card interest rate cap in a social media post. As bankers know all too well, price caps always have unforeseen and costly consequences for consumers, and if this kind of cap was imposed, as many as 159 million Americans could lose access to credit.

In the face of these dual threats, America's banks sprang into action.

Thanks to ABA members and our partners in the State Association Alliance, we were able to send over 10,000 letters to senators and 3,200 signatures on a petition reminding them about the Genius Act loophole and its potential impact on families and small businesses across the country. Our Community Bankers Council—which includes community bankers from every state—penned its own letter, and ABA rallied the other community financial institutions together helping the industry demon-

strate a united front on Capitol Hill.

ABA and our members were also out in front on card issues, issuing a grassroots call to action and quickly publishing new data (available at RateCapReality.com) that showed that the proposed 10% rate cap would have a drastic impact on the card industry, threatening between up to 85% of open credit card accounts.

These policy threats remain very real, and at the time this column was written, ABA was still engaged in an all-out push to ensure that our perspective is being heard by the entire policy community. We're using every tool in our toolbox, from grassroots calls to action to targeted advertising to in-person lobbying efforts. Even more messaging efforts are planned.

The speed and velocity with which these issues emerged was a reminder that even as we face a more supportive regulatory environment, major policy challenges remain and we must be ready to respond.

At the same time, it also underscored the strength of our collective advocacy. When bankers come together to elevate the issues that matter, our voices carry significant weight. In these two policy debates, the response from our industry has changed the momentum even if the final outcomes remain uncertain.

Rest assured, ABA and the state associations are working tirelessly on behalf of the industry, and with your support, I'm confident in our ability to move the needle on major policy challenges, wherever and whenever they arise. But we need your voice.

Please consider joining us at the 2026 ABA Washington Summit, March 9-11 in the nation's capital. This free event is our best opportunity to show up in person in Washington and show the administration and Congress that the banking industry is strong, united, and ready to advocate on behalf of the customers, clients and communities we serve.



**ABA
WASHINGTON
SUMMIT**

March 9-11 • Marriott Marquis

  

Free for every banker!

Learn more and register at aba.com/summit

April Programs Offer Learning, Connection and Professional Growth for Bankers

Spring brings a full slate of professional development and networking opportunities for bankers across the Northwest. April's programs span leadership development, regulatory insights, industry specialization, and peer connection, offering valuable content for bankers at every stage of their careers.

Here's what's coming up:

Understanding Bank Performance (UBP)

April 2 | Virtual

The Understanding Bank Performance program returns this April with a virtual format designed for accessibility and practical learning. This session helps bankers build a stronger grasp of financial metrics, performance drivers, and the key factors that influence a bank's success.

Participants will leave with a clearer understanding of how balance sheets, income statements, and operational decisions intersect — knowledge that benefits bankers in lending, retail, compliance, management, and beyond. For anyone looking to sharpen their financial fluency or broaden their strategic perspective, this program provides foundational insights applicable across roles.

FDIC Community Bankers Workshop

April 7 | AC Hotel Portland | Lake Oswego

This in-person workshop provides a valuable opportunity for community bankers to hear directly from regulatory experts and engage in dialogue about current supervisory priorities. Sessions typically include economic updates, compliance discussions, and risk management perspectives — all framed within the realities facing community institutions.

The workshop offers a rare chance to ask questions, clarify expectations, and connect with peers navigating similar regulatory landscapes. Bankers responsible for compliance, operations, or executive leadership will find this session especially relevant.

2026 Management Development Program

April 9 | Virtual

The Management Development Program is designed for emerging leaders ready to strengthen their management and decision-making skills. This multi-session experience focuses on leadership fundamentals, communication, problem-solving, and practical management strategies that translate immediately into workplace impact.

Bankers looking to step into leadership roles — or managers seeking to refine their approach — will benefit from structured learning paired with real-world application. The virtual format makes

participation convenient while maintaining a collaborative learning environment.

OBA Women in Banking Luncheon (Partner Program)

April 21 | Hilton Portland Downtown | Portland

This partner program brings together women leaders and allies in banking for connection, inspiration, and professional dialogue. The luncheon fosters conversations about leadership, career development, and navigating opportunities within the financial industry.

Attendees can expect thoughtful programming, peer networking, and a supportive environment that elevates women in banking. It's an excellent opportunity for relationship building and professional growth.

NW Bank Directors Series

April 24 | Virtual Series

The NW Bank Directors Series returns this April, offering bank directors and executive teams timely insights on the issues shaping board leadership in today's rapidly evolving environment. Now, in a fully virtual format, this series is designed specifically for directors in the Northwest. Sessions can be taken individually or as an entire series, making it easy to stay informed on governance, risk oversight, strategy, and regulatory expectations without leaving the office. Whether you're a new director or a seasoned board member, this series provides practical, actionable guidance to help strengthen board effectiveness and support your institution's long-term success.

Agricultural Bankers Conference

April 29 | Holiday Inn Richland on the River | Richland

The Northwest Ag Conference focuses on the agricultural sector — a critical component of the regional economy. Bankers serving agricultural clients will gain insights into market conditions, industry trends, and risk considerations affecting producers and lenders alike.

The conference also offers targeted networking with professionals who understand the unique challenges of agricultural finance, making it especially valuable for ag lenders and relationship managers.

Whether you're looking to deepen technical knowledge, strengthen leadership skills, or connect with peers, these programs provide meaningful opportunities to invest in your professional growth.

For registration details and additional information, visit the WBA events calendar at wabankers.com.

Industry News

New Hires

Diana Bessire
Commercial Deposit Relationship Associate at Bank of the Pacific

Daniel Petzoldt
Vice President, Commercial Banking Relationship Manager at Mechanics Bank

Jon Bruch
Vice President, Mortgage and Consumer Lending Division at Mechanics Bank

Terri Anderson
Commercial Market President at First Interstate Bank

Kitty Jones-Davis
Assistant Branch Manager at Olympia Federal Savings

Jenny Scott
Community Mortgage Loan Officer at Banner Bank

Promotions

Debbie Siguaw
Senior Vice President, Director of Learning and Development at Heritage Bank

Anna Ripich
Vice President, Branch Manager at KeyBank

Josh Coates
Vice President and Seattle Market Retail Leader at KeyBank

Aspasia Sotiriou
Senior Area Retail Leader at KeyBank

Isabella Marocco
Senior Loan Officer at Olympia Federal Savings

Kirsten Tate
Branch Manager at Olympia Federal Savings

Nick Guyer
Assistant Branch Manager at Olympia Federal Savings

Shea Wahlstrom
Marketing & Outreach Manager at Olympia Federal Savings

Matt Holmes
Small Business Relationship Manager at KeyBank

Have Industry News to share with WBA? Email megan@wabankers.com or call (206) 344-3472.

Bankers Bring Their Voices to Olympia for Annual Bankers Day on the Hill Event

Washington bankers gathered in Olympia on February 4 for the Washington Bankers Association's annual Bankers Day on the Hill, reinforcing the industry's commitment to advocacy and relationship-building with lawmakers. Hosted at the Association of Washington Business offices, the day brought together 39 bankers who collectively participated in 35 meetings with legislators — a strong showing that ensured the banking industry's perspective was heard during a busy legislative session.

The day began with a legislative briefing over lunch led by WBA's lobby team. Bankers received updates on several key issues shaping the session, including artificial intelligence policy, tax proposals, financial education initiatives, and fraud prevention efforts. The briefing also included an overview of the legislative process and practical tips for engaging with lawmakers — equipping attendees with the context and confidence needed to make their meetings productive.

Armed with insights and talking points, bankers

spent the afternoon meeting directly with their local legislators to discuss how proposed policies impact financial institutions, customers, and communities across Washington. These conversations underscored the essential role banks play in supporting economic growth, protecting consumers, and expanding financial opportunity.

The day concluded with an evening reception at Uptown Grill, where participants continued conversations and strengthened relationships in a more informal setting.

WBA extends sincere thanks to every banker who dedicated time to attend and advocate on behalf of the industry. Engagement like this ensures policymakers understand the real-world implications of legislation and highlights the important work Washington banks do every day. Bankers Day on the Hill remains a powerful reminder that when bankers show up and share their stories, they help shape policies that benefit communities statewide.





U.S. Bank Sponsors and Participates in Community Panel Discussion

Earlier this winter, U.S. Bank brought together the community for an Impact in Action gathering about how purpose and power unite.

The panel featured speakers from Symetra, the Seattle Storm, U.S. Bank, the Seattle FIFA World Cup, and the Seattle Sounders FC and Seattle Reign FC Foundation, who shared how working together to build an inclusive community and authentic partnerships creates stronger communities.



Riverview Bank Volunteers with Council for the Homeless

Riverview Bank recently volunteered at the Council for the Homeless' annual Project Homeless Connect event, a day dedicated to serving neighbors in greatest need.

The organization focuses on helping individuals experiencing homelessness in the community, and the bankers volunteered to support the organization as part of its ongoing mission to serve the community.



Chase Team Volunteers with Path With Art

The Seattle Chase Business team recently spent part of a day volunteering with the organization Path with Art.

The organization helps introduce people to music and art as

a form of therapy and recovery from all types of life trauma. It provides a variety of classes and opportunities for the community.



Cashmere Valley Bank Donates Denim Fund to Josie's Misfit Ranch

The Cashmere Valley Bank Ellensburg branch recently donated its yearly denim fund proceeds to Josie's Misfit Ranch.

Every year, the bank accepts employee donations to wear jeans on Fridays and matches them. At the end of the year, the branch selects a local nonprofit to receive the funds.

Josie's Misfit Ranch is a volunteer and foster-based animal rescue that cares for and advocates for dogs and cats in Kittitas County.



U.S. Bank Participates in Galentine's Fundraiser

The U.S. Bank Spokane area team recently volunteered with Berkshire Hathaway HomeServices for a Galentine's

fundraiser for Safe Passage Violence Prevention Center.

The organization focuses on helping those affected by domestic or sexual violence and provides a 24-hour support and crisis intervention center.



Bank of the Pacific Volunteers at Crab and Oyster Feed Festival

Members of the Bank of the Pacific team recently volunteered at the Wahkiakum Chamber of Commerce's 40th Annual Crab and Oyster Feed fundraiser.

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The annual event sold out and help support local community events throughout the year.



KeyBank Volunteers with Goodwill

KeyBank volunteers recently spent an afternoon volunteering at the local Goodwill as part of their annual Super Refund Saturday.



Timberland Bank Supports United Way of Grays Harbor

Timberland Bank recently attended and supported the annual United Way of Grays Harbor Black & White Gala.

The annual event is a fundraiser for the organization, helping support its programs throughout the year. The gala featured a dinner served by teens from the local high school culinary program.

Chase Volunteers at Chinatown-International District Community Event

The Seattle JPMorgan Chase team recently participated in a community event hosted by the Chinatown-International District Business Improvement Area, sponsored by the Asian



American Foundation.

During the event, the CIDBIA announced the launch of the CID Business Accelerator Program, which will help support small, owner-operated businesses throughout the neighborhood. The bank is helping sponsor the effort and will offer mentorship and financial health workshops to participants.



WaFd Bank Presents Seniors at Watermark Retirement Community in Seattle

Members of the WaFd Bank team recently presented to seniors at the Watermark Retirement Community in Seattle about identity theft and how to stay safe from scams, in partnership with the Seattle Police

Department.

The bankers shared information about the signs to look for and how to keep their information safe, while the police department also shared important tips and what to do if information or money is stolen.

Commencement Bank Volunteers During MLK Jr Day

On Martin Luther King Jr. Day, members of the Commencement Bank team volunteered alongside other community

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Events Calendar

March 9-11 – ABA Washington Summit, D.C.

March 12 – Credit Analyst Development Program

March 25 – RMA Women in Banking Luncheon

April 2 – Understanding Bank Performance

April 7 – FDIC Community Bankers Workshop, OR

April 9 – Management Development Program

April 21 – OBA Women in Banking Luncheon, OR

April 24 – Virtual NW Bank Directors Series

April 29 – Tri-State Agricultural Bankers Conference, Richland, WA

May 5 – RMA Puget Sound Bank Executive Panel

May 11-14 – CBA Annual Conference & Directors Forum, Hawaii

May 20 – Virtual Engage Conference

June 4 – Networking Night at Spokane Indians

June 29 - July 1 – 2026 Annual Convention, Sunriver

July 9 – Understanding Bank Performance

July 30 – ABA Virtual Women Who Lead Summit

August 18-20 – KBA Fraud Academy; KY & Virtual

August 20 – Commercial Lending Development Program

September 21-23 – PNW Capitol Hill Visit, D.C.

October 1 – Understanding Bank Performance

To register or to learn more about any of the listed events, please visit www.wabankers.com/calendar.

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members at the United Way of Pierce County Day of Service event.

The bankers joined more than 120 other individuals to put together more than 2,750 winter hygiene kits and wrote notes of encouragement to distribute during the Homeless Point-in-Time count.



Chase Hosts Money Skills Class at Middle School

Thushari Gooneratne, a member of the JPMorgan Chase team in the Puget Sound, recently taught a money skills class to students at Gray Middle School.

The class is part of an interactive program that helps students learn about money management, budgeting, and smart financial decision-making. It also helps them build confidence and make informed decisions around saving, spending, and planning for their futures.



Olympia Federal Savings Volunteers with Nisqually Land Trust

Bankers from Olympia Federal Savings spend a wet, rainy Friday morning volunteering with the Nisqually Land Trust.

The team planted 100 native trees and shrubs at a restoration site along the Nisqually River, helping to improve the area.



Yakima Federal Savings Celebrates 210th Home with Yakima Habitat for Humanity

Yakima Federal Savings was recently part of a celebration with partner Yakima Habitat for Humanity as the organization presented the keys to the 210th home built for a local family.

It can take years for a family to qualify for a home through the Habitat program, and it takes dedication, long-standing

partners like Yakima Federal, and hundreds of volunteers who put in many hours to help make it happen.



Commencement Bank Named Relay for Life Corporate Team of the Year

Commencement Bank was named the Relay for Life 2025 Nationwide Corporate Team of the Year, announced in mid-February.

The award was part of the Pat Flynn Spirit of Relay awards, recognizing the corporate partner that exemplifies leadership, employee engagement, and a deep commitment to the American Cancer Society's mission.



Cashmere Valley Bank Hosts School Visit

The Cashmere Valley Bank branch on Maple Street in Wenatchee recently welcomed visitors from a local elementary school.

The students learned about the bank, money, and how the bank and the branch work during the visit.

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Olympia Federal Savings Donates to Family Education and Support Services

Olympia Federal Savings announced in early February that its two-cent program partner, Family Education and Support Services, received a \$2,900 donation in January.

The program, which donates 2 cents per debit card transaction, then donates the proceeds to a local nonprofit.



Peoples Bank Supports Lydia Place

The Peoples Bank team in Bellingham recently attended and supported the annual Lydia Place Fundraiser.

The annual event supports the organization, which works to disrupt the cycle of homelessness and create a sense of belonging for current and future generations. It provides several family housing programs, as well as a mental health program and services for parents and prevention.

Riverview Bank Sponsors Building Industry Association Event

Riverview Bank recently sponsored the Building Industry Association of Clark County's Casino Night.

The event supports the organization's work to create new pathways to jobs in homebuilding and construction.



Washington Trust Bank Partners with Lumen High School

Washington Trust Bank recently celebrated a new community partnership with Lumen High School in Spokane.

The public charter school is dedicated to supporting pregnant and parenting teens as they work toward graduating. The school provides academic standards and wraparound services to empower both the students and children.

The school includes an on-site early learning center and life-

skills-focused coursework and provides a safe environment where parents can thrive.



U.S. Bank Celebrates Spokane Branch Remodel with Donation to Spokane Area Nonprofit

U.S. Bank celebrated the grand reopening of its North Spokane branch following a remodel with an event and a \$1,000 donation to Northeast Youth and Family Services.

The organization provides access and support to children and their families in the NE area of the state.



Timberland Bank Donates to Toledo Thursday Market

In February, Timberland Bank announced a \$3,000 donation to the annual Toledo Thursday Market.

The weekly farmer's market, which takes place on Thursdays, is sponsored by the bank and relies on private donations to keep it going.



U.S. Bank Partners with Ethiopian Community for Small Business Program

The U.S. Bank team recently partnered with the Ethiopian community in Seattle for the second year in a row on a small

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business program.

The event brought together a wide range of organizations to share their expertise in helping entrepreneurs succeed.

The bankers on hand shared with business owners how they can pursue capital and ways to navigate the financial landscape.



“The chamber did a fantastic job hosting and deserves all the praise for the hard work they do,” she said. “Super grateful to be part of the community and more grateful to work with them. I am looking forward to the years to come.”



1st Security Bank of Washington Partners with 89.5FM Valentine’s Day Event

The 1st Security Bank of Washington team in Lynnwood recently partnered with 89.5FM Seattle Dance Radio on its Valentine’s Party at the Lynnwood Bowl & Skate.

The event included an interactive financial literacy game that sparked lively community conversation about building financial confidence.

KeyBank Supports Lens of Youth

Members of the KeyBank team recently supported Lends of Youth through a sponsorship.

The organization is managed by teens, which promotes inclusion through art and empowers leaders working to make a difference.



First Fed Volunteers at Middle School

Members of the First Fed Bank team recently volunteered at Poulsbo Middle School, teaching a financial budgeting session to students.

During the session, students learning about real-world budgeting scenarios and practical tools they can use for their own lives in the future.

WaFd Bank Donates to Chinook Enterprises

WaFd Bank announced a donation to Chinook Enterprises earlier this year.

The \$1,500 donation will help the organization, based in Mt. Vernon, help people with disabilities learn job skills and find pathways to employment.



WaFd Bank Donates to Financial Empowerment Network

WaFd Bank announced a \$20,000 donation to the Financial Empowerment Network recently through the WaFd Foundation.

The grant makes the bank FEN’s first Sustaining Cornerstone Partner.

FEN works to convene and connect communities by equipping the providers who serve them, and in 2025, FEB supported more than 500 individuals across 20 events.

Banner Bank Banker Earns Kirkland Chamber President’s Award

Banner Bank employee Nancy Khoury-Zuanich, an associate commercial relationship manager, was recently awarded the Greater Kirkland Chamber of Commerce President’s Award during the Chamber’s 90th awards ceremony.



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U.S. Bank Participates in Wishing Star Foundation Event

The U.S. Bank team in Spokane recently attended the annual Wishing Star Foundation's Wishes & Wine: A Taste of Spokane, an annual fundraising event.

The event helps support the organization, which helps families and children facing life-threatening illnesses.

Washington Trust Bank Celebrates Random Acts of Kindness Week

Throughout the third week of February, Washington Trust Bank celebrated Random Acts of Kindness Week, doing small acts of kindness at every branch.

In Vancouver, the bank partnered with the Washington State School for the Blind to help create accessible financial education assignments that support learning in ways that meet students where they are.

In Ephrata, the group worked with a local summer camp, helping teach campers about the importance of saving, while in



Bellingham, the bank donated lunch to first responders working during a recent flood.



Sound Community Bank Sponsors Sequim Sunshine Festival

Sound Community Bank announced at the end of January that it would once again be the title sponsor of the Sequim Sunshine Festival.

Thanks to a \$5,000 grant from the bank, the festival will once again have a drone show this summer, among other festivities, to highlight the many activities that take place throughout the Olympic Peninsula every year.

If you have Bankers Care news to share, please email it to megan@wabankers.com. Thank you!



Community Bankers Workshop

April 7, 2026 | 8:30 AM - 3:30 PM | AC Hotel Portland, Lake Oswego, OR



This one-day, interactive program is designed to help bank directors, executives and mid-level officers, both new and experienced, stay abreast of the ever-changing business, economic, and regulatory environment. Workshop sessions will include interactive conversations and presentations by seasoned FDIC risk management and compliance field examiners and supervisors.

Who Should Attend

Bank directors, executives, mid-level bank officers and in particular, credit officers and compliance professionals.

Registration: \$430 | Visit oregonbankers.com/fdic-workshop

Commencement Bank Gives Back with Hams for the Holidays Campaign

By Galen Annest, VP, Marketing and Communications Manager, Commencement Bank

When Commencement Bank began 20 years ago, it started with a promise to support and invest in the communities they serve.

Giving back wasn't something they waited to do when it was easy or comfortable; they did it from the moment they opened their doors. Even in the early years, when they weren't yet profitable, they still showed up, still gave back, and still found ways to fulfill their promise.

Each year since then, the team at Commencement has challenged themselves to find more meaningful ways to uphold their commitment.

In 2023, that challenge took a defining turn after several employees volunteered at a Thanksgiving turkey giveaway. The need was so great that they ran out of turkeys and had to turn lines of families away. That stuck with them, and when they looked ahead at the coming year, they were surprised to see that there were no food distribution events for the December holidays.

In 2024, Commencement Bank changed that, and the first annual Hams for the Holidays took place.

This event wasn't based on a marketing campaign or a PR move; it was designed in response to a real need in their community – a need that they witnessed firsthand. The goal was simple, to put food on the table for as many families as possible at a time when sharing a meal with those you love matters most, and getting food assistance is often difficult.

After a successful first run in 2024, where they fed 1,500 families, the team decided to make it even bigger in 2025.

When they began preparing for the event in October, they received the news that the price of ham per pound had literally doubled! Discouraged, the event manager went to the CEO, John Manolides, with the bad news.

"When our marketing manager came to me with the news about the increased price of hams, she was prepared to host the event on a smaller scale. I took one look at the numbers and told her not to worry, that our team would simply do more fundraising and outreach to cover the cost," said John E. Manolides, Chief Executive Officer of the bank.

He held true to his word, and despite the cost doubling, the bank raised enough money to feed more families than the year before.

But what is really special about this event isn't the numbers; it's how the event takes shape. Commencement Bank utilizes their community partnerships and



client relationships to make it all happen.

The bank covers all the overhead, the iconic Tacoma Dome provides the venue, local nonprofit Nourish Pierce County helps them source the hams, and their clients are the sponsors of the event – contributing both financially and standing beside the bank employees to hand them out.

From start to finish, it is all about teamwork and relationships, which makes it so that 100% of the funds raised go directly to the tables of those in need.

To Commencement, Hams for the Holidays is much more than an event; it is a reflection of their promise in action. It strengthens their culture, improves their communities, and shows their clients that giving back isn't a sales pitch – it's who they truly are.

Marijuana Reclassification: What it Means for Financial Institutions in 2026

By Terri Luttrell, Compliance and Engagement Director, Abrigo

The cannabis industry received a long-awaited policy shift in December when President Donald Trump signed an executive order instructing the Department of Justice (DOJ) to reclassify marijuana from a Schedule I to a Schedule III substance under the Controlled Substances Act (CSA). The move is historic, marking the most significant change to federal drug policy in over 50 years. While this decision does not equate to full legalization, it signals a major pivot with broad implications for cannabis banking, compliance teams, and financial institutions.

The order directs the DOJ to initiate the formal rulemaking process to reclassify marijuana; however, the timeline for completing this process remains uncertain. The order mandates the expediting of rescheduling, so the change is anticipated soon.

What reclassification means, and what it doesn't

Reclassifying marijuana from Schedule I to Schedule III recognizes its potential medical use and a lower risk for abuse compared to drugs like heroin or LSD. The order, once finalized by the Drug Enforcement Administration, moves cannabis out of the most restrictive category under the CSA to a Schedule III classification, which encompasses substances with accepted medical use, such as ketamine and Tylenol with codeine.

With this change, cannabis businesses will no longer be subject to the restrictive tax code, which currently bars them from deducting standard business expenses. As a result, the industry stands to unlock billions in capital, with more favorable tax treatment and renewed investor confidence.

Rescheduling marijuana is not a green light for nationwide legalization. Marijuana remains federally illegal for recreational use, and the state-by-state regulatory patchwork remains intact. For financial institutions, this means that uncertainty remains, particularly for compliance and anti-money laundering (AML) teams.

Legislation targets "intoxicating" hemp loopholes

Adding to the complexity is a growing legislative trend aimed at regulating intoxicating hemp-derived products such as delta-8 or delta-9 THC. While the 2018 Farm Bill legalized hemp containing less than 0.3% THC, the loophole

left room for the sale of psychoactive hemp products that are not yet regulated like marijuana. On November 12, 2025, Congress passed legislation to reimpose federal controls over certain hemp products, closing the Farm Bill loophole.

For financial institutions, this creates a gray area. Businesses selling delta-8, delta-9, or similar products may fall outside current cannabis laws but still pose elevated compliance risks. Cannabis banking programs should reassess their customer due diligence processes to determine how the sale of hemp-derived products is evaluated and monitored.

Institutions weigh opportunities with caution

In a recent Abrigo survey of financial institution professionals, respondents showed cautious optimism about entering or expanding cannabis banking services. When asked whether the reclassification made them more or less likely to bank cannabis-related businesses, 22% said they were less likely, and 11% reported being more likely. Meanwhile, 45% of respondents reported being unsure, underscoring the ongoing uncertainty surrounding federal and state regulatory frameworks. These findings highlight the importance of developing risk-based strategies and engaging in informed discussions at the board and executive levels before making a decision.

Navigating risk

Financial institutions already engaged in cannabis banking, or those considering entering this space, must continue to treat cannabis-related businesses (CRBs) as high-risk clients. While reclassification may ease some public perception challenges, federal law has not yet changed enough to remove cannabis from heightened regulatory scrutiny. As with any cash-intensive business, CRBs require additional monitoring.

Institutions need to:

- Conduct enhanced due diligence and ongoing monitoring of CRB accounts
- Stay informed on updates to FinCEN guidance related to CRBs
- Document decisions carefully and ensure board-level oversight for cannabis banking programs

For those new to cannabis banking, this policy shift

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presents a strategic opportunity to assess risk appetite and explore potential revenue streams. It also highlights the need for comprehensive AML staffing assessments to ensure teams are equipped to handle these complex customer relationships.

Assess AML staffing needs

As the cannabis banking landscape evolves, institutions must ensure that staffing levels align with new workloads and regulatory expectations. Even with the easing of classification, CRBs still carry operational and reputational risks. A robust AML program, backed by appropriate staffing, remains non-negotiable.

Staffing assessments can help financial institutions:

- Identify gaps in transaction monitoring coverage
- Allocate resources effectively for high-risk accounts
- Support business decisions with data-driven insights

Whether assessments are performed internally or by a third-party provider, demonstrating a commitment to strong internal controls is crucial as federal agencies continue to refine their stance on cannabis.

The cannabis banking opportunity

With the U.S. cannabis market expected to exceed \$32 billion, reclassification may catalyze a new wave of legitimate financial services offerings. For community banks and credit unions, it presents a rare opportunity to serve a growing industry often locked out of the traditional banking system.

To prepare, financial institutions should:

- Revisit their risk assessments and cannabis banking policies

- Engage with regulators and peer institutions to understand best practices
- Educate staff across compliance, lending, and operations functions

These steps ensure readiness not just for current compliance requirements, but for future shifts that may follow reclassification, including potential changes to AML/CFT guidelines.

A cautious but strategic approach

The reclassification of marijuana to Schedule III represents progress, but not clarity. Cannabis banking remains a complex and highly regulated endeavor. Financial institutions must remain cautious, deliberate, and informed as they weigh the risks and opportunities in this space. While previous attempts to establish a federal safe harbor for cannabis banking, such as the SAFER Banking Act, have repeatedly stalled in the U.S. Senate, the rescheduling of marijuana could improve the political environment for future legislative progress.

By conducting staffing assessments, updating policies, and maintaining strong oversight, financial institutions can position themselves to serve cannabis-related businesses responsibly and effectively.

Now more than ever, compliance professionals have a crucial role in shaping the future of cannabis banking.

Terri Luttrell is the compliance and engagement director of Abrigo. She is a seasoned AML professional and former director and AML/OFAC officer with over 20 years in the banking industry, working both in medium and large community and commercial banks ranging from \$2 billion to \$330 billion in asset size.



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