

Pending Cannabis Legislation in the 116th Congress

STRENGTHENING THE TENTH AMENDMENT THROUGH ENTRUSTING STATES (STATES ACT): The STATES Act was reintroduced on April 4, 2019, by Senators Cory Gardner (R-CO) and Elizabeth Warren (D-MA), along with Representatives Earl Blumenauer (D-OR) and David Joyce (R-OH) to ensure that each state has the right to determine for itself the best approach to cannabis within its borders. This legislation, otherwise referred to as H.R. 2093/S.1028, would also extend these protections to Washington, D.C., U.S. territories, and federally recognized tribal nations. S. 1028 has nine cosponsors (five Republicans and four Democrats) and was referred to the Senate Judiciary Committee where it awaits consideration. H.R. 2093 has 52 cosponsors (17 Republicans and 35 Democrats) awaits consideration in the House Judiciary Committee.

RESPECT STATES' AND CITIZENS RIGHTS ACT: The Respect States' and Citizens Rights Act, otherwise referred to as H.R. 2012, was reintroduced by Representative Diana DeGette (D-CO) on April 1, 2019. This legislation is designed to prevent the federal government from enforcing its prohibition on marijuana in states where it is legal for residents to possess and use the drug. Specifically, H.R. 2012 would prevent federal preemption of state marijuana laws and allow states to establish the regulatory framework needed to tax and regulate the industry without the threat of a federal court challenge. H.R. 2012 has three Democratic cosponsors and awaits further consideration in the House Judiciary Committee and the House Energy and Commerce Committee.

MARIJUANA REVENUE AND REGULATION ACT: On February 8, 2019, the Marijuana Revenue and Regulation Act was reintroduced by Senator Ron Wyden (D-OR) and Representative Earl Blumenauer (D-OR) to de-schedule, tax and regulate marijuana. This legislation, otherwise referred to as H.R. 1120/S.420 would also impose an excise tax on marijuana products like the current federal excise taxes on alcohol and tobacco, escalating annually to a top rate equal to 25 percent of the sales price. Additionally, marijuana producers, importers and wholesalers would be required to obtain a permit from the Department of Treasury, though there would be a prohibition on sales or distribution of marijuana in states where it is illegal under state law. S. 420 is currently without any cosponsors and awaits consideration in the Senate Finance Committee. H.R. 1120 has one Democratic cosponsor and awaits consideration in the House Ways and Means Committee.

RESPONSIBLY ADDRESSING THE MARIJUANA POLICY GAP (RAMP) ACT: The RAMP Act was introduced by Senator Ron Wyden and Representative Earl Blumenauer on February 8, 2019 to reduce the gap between federal and state laws through the removal of federal criminal penalties and civil asset forfeiture for individuals and businesses complying with state law. The legislation, also referred to as H.R. 1119/S.421, would reduce the barriers for state-legal marijuana businesses by ensuring access to banking, bankruptcy protection, marijuana research and advertising. Additionally, this legislation would provide an expungement process for individuals who have been convicted of certain marijuana violations that fall into compliance with state law and would establish a new, separate registration process to facilitate medical marijuana research. S.421 is currently without any cosponsors and awaits consideration in the Senate Finance Committee. H.R 1119 is also without cosponsors and is awaiting consideration before the House Committees on Judiciary, Energy and Commerce, Ways and Means, Financial Services, Education and Labor, and Oversight and Reform.

MARIJUANA JUSTICE ACT: The Marijuana Justice Act was introduced by Senator Cory Booker (D-NJ) as well as Representatives Barbara Lee (D-CA) and Ro Khanna (D-CA) on February 28, 2019. This legislation, otherwise referred to as H.R 1456/S.597 would remove marijuana from the list of controlled substances, making it legal at the federal level. Additionally, the legislation would automatically expunge the convictions of individuals who have served federal time for marijuana use and possession offenses. S. 597 has seven cosponsors (six Democrats and one Independent) and is awaiting consideration in the Senate Judiciary Committee. H.R. 1456 has 40 Democratic cosponsors and is awaiting action in the House Committees on Judiciary, Financial Services, Natural Resources, Energy and Commerce, and Agriculture.

SMALL BUSINESS TAX EQUITY ACT: The Small Business Tax Equity Act was introduced by Senator Ron Wyden (D-OR) and Earl Blumenauer (D-OR) on February 7, 2019 to create an exemption to the Internal Revenue Code Section 280E that allows businesses operating in compliance with state laws to take business-related deductions associated with the sale of marijuana just like any other legal business. Under current law, Section 230E of the tax code prohibits anyone purchasing or selling drugs listed in Schedule I or Schedule II from deducting their business expenses from their taxes or taking any other business credits or deductions. In the Senate, this legislation, otherwise referred to as S. 422, has four cosponsors (three Democrats and one Republican) and awaits consideration in the Senate Finance Committee. In the House, the legislation, referred to as H.R. 1118, has six cosponsors (four Democrats and two Republicans) and awaits consideration in the House Ways and Means Committee.

SECURE AND FAIR ENFORCEMENT (SAFE) BANKING ACT: The SAFE Banking Act was introduced by Representative Ed Perlmutter (D-CO) on March 7, 2019. The legislation, otherwise known as H.R. 1595 is designed to make it easier for marijuana dispensaries and growers – as well as real estate owners, law firms, and other businesses that engage with them – to access the banking system instead of relying on cash transactions. H.R. 1595 also would allow banks and credit unions to provide financial services to state-authorized cannabis businesses without federal penalties. The SAFE Banking Act has 206 cosponsors (180 Democrats and 26 Republicans) and passed the House Financial Services Committee by a vote of 45-15 on March 28, 2019. The legislation was ordered to be rereported to the House Judiciary Committee where it awaits further consideration.

MARIJUANA FREEDOM AND OPPORTUNITY ACT: The Marijuana Freedom and Opportunity Act was introduced by Sen. Chuck Schumer (D-NY) and Rep. Hakeem Jeffries (D-NY) on May 20, 2019. The legislation, otherwise referred to as H.R. 2843/S. 1552 would remove cannabis from the Controlled Substances Act. H.R. 2843/S. 1552 would also create funding for minority and women-owned cannabis businesses, sets advertising regulations, invest in highway safety and public health research, and provides for state and local expungement and sealing programs. S. 1552 has seven cosponsors (six Democrats, one Independent) and is awaiting consideration in the Senate Judiciary Committee. H.R. 2483 has 37 Democratic cosponsors and was referred to the House Committees on Judiciary, Energy and Commerce, Natural Resources, Small Business, and Transportation and Infrastructure.