

“Path to Marijuana Reform” Legislation Introduced in Congress

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On March 30th, bipartisan U.S. lawmakers introduced a package of three marijuana reform bills collectively being called the “**Path to Marijuana Reform**” aimed to “pave the way for responsible federal regulation of the legal marijuana industry, and provide certainty for state-legal marijuana businesses which operate in nearly every state in the U.S.”

The bills address a comprehensive number of issues including, but not limited to: taxation, banking, bankruptcy, asset forfeiture, descheduling or removal from Controlled Substances Act (**CSA**) (21 U.S.C. 812(c)), decriminalization, research and regulation.

“**The Small Business Tax Equity Act**” is being sponsored as S.777 by Senator Ron Wyden (D-Oregon) and being co-sponsored by Senators Rand Paul (R-Kentucky), Michael Bennet (D-Colorado) and Patty Murray (D-Washington), the bill is also being introduced as companion legislation under H.R.1810 by Congressman Carlos Curbelo (R-Florida) and is being co-sponsored by 8[1] additional representatives.

- This legislation aims to create an exception to Internal Revenue Code (IRC) section 280E that would allow businesses compliant with state laws to claim deductions and credits associated with the sale of marijuana. As it currently stands, IRC 280E does not permit deductions or credits for the sale of Schedule I or Schedule II substances.

“**Responsibly Addressing the Marijuana Policy Gap Act**” is being sponsored as H.R.1824 by Congressman Earl Blumenauer (D-Oregon) and is being co-sponsored by Congresswoman Eleanor Holmes Norton (D-DC).

- This legislation aims to remove federal penalties and civil asset forfeiture for individuals and businesses that comply with state marijuana laws; removes business and banking barriers and provides: additional access to banking; exemptions to IRC 280E; bankruptcy protection; regulates advertising; expunges the individuals criminal records for certain marijuana-related offenses; ends requirement for marijuana drug test for residents of legalized states in applying to positions in federal employment; fair access to education; civil forfeiture exemption for marijuana facilities authorized by state law; prohibition on inadmissibility or deportation of aliens who comply with state law; screening of applicants for federally assisted housing; and removes barriers for medical marijuana research.

“**Marijuana Revenue and Regulation Act**” is being sponsored as H.R.1823 by Congressman Earl Blumenauer (D-Oregon) and is being co-sponsored by Congresswoman Eleanor Holmes Norton (D-DC).

- This legislation aims to deschedule and remove marijuana from the **CSA**; impose tax on marijuana products and the producers of marijuana products; allow for the permits for marijuana businesses; and regulate marijuana packaging, labeling and advertising in a manner similar to alcohol. This bill is also being sponsored by Congressman Jared Polis (D – Colorado) and 5[2] additional members of the House through companion legislation under R. 1841 being called the “**Regulate Marijuana Like Alcohol Act**”.

The “**Path to Marijuana Reform**” legislative package is the latest in what is becoming a long list of marijuana law reform introduced by federal legislators this year:

- 777 and H.R.1810 entitled “**The Small Business Tax Equity Act**” were introduced on March 30th
- R.1824 entitled “**Responsibly Addressing the Marijuana Policy Gap Act**” was introduced on March 30th

- R.1823 entitled “**Marijuana Revenue and Regulation Act**” was introduced on March 30th
- R. 1841 entitled “**Regulate Marijuana Like Alcohol Act**” was introduced on March 30th
- HR 1227 entitled “**Ending Federal Marijuana Prohibition Act of 2017**” was introduced on February 27th
- R. 975 entitled “**The Respect State Marijuana Laws Act**” was introduced on February 7th
- R. 715 entitled “**Compassionate Access Act**” was introduced on February 14th
- R. 714 entitled “**Legitimate Use of Medicinal Marijuana Act**” was introduced on February 3rd
- R. 331 entitled “**States’ Medical Marijuana Property Rights Protection Act**” was introduced on January 31st

Additionally, according to The Cannabist, lawmakers have said that they plan to introduce additional legislation under the names “**Rohrabacher-Blumenauer Medical Marijuana Amendment**”^[3] and the “**McClintock-Polis Marijuana Amendment**,” both spending-bill riders that would prevent the Drug Enforcement Administration (DEA) from using funds to prosecute individuals in medical marijuana states and recreational marijuana states, respectively.

For more information contact Medical Marijuana Practice Group for updates on Pennsylvania and Federal legislation affecting the Pennsylvania medical marijuana industry.

[1] Congressmen Earl Blumenauer (D-Oregon), Jared Polis (D – Colorado), Diana DeGette (D-Colorado), Peter DeFazio (D-Oregon), Ed Perlmutter (D-Colorado), Denny Heck (D-Washington), Kurt Schrader (D-Oregon) and Adam Smith (D-Washington).

[2] Congressmen Earl Blumenauer (D-Oregon), Ed Perlmutter (D-Colorado), Eleanor Holmes Norton (D-DC), Jared Huffman (D-California) and Mark Pocan (D- Wisconsin).

[3] Amending Section 542 of “The Consolidated Appropriations Act”