Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND REFORM 2157 RAYBURN HOUSE OFFICE BUILDING WASHINGTON, DC 20515-6143

> MAJORITY (202) 225–5051 MINORITY (202) 225–5074 https://oversight.house.gov

MEMORANDUM

November 9, 2022

To: Members of the Subcommittee on Civil Rights and Civil Liberties

Fr: Subcommittee Staff

Re: Hearing on "Developments in State Cannabis Laws and Bipartisan Cannabis

Reforms at the Federal Level"

On <u>Tuesday</u>, <u>November 15</u>, <u>2022</u>, <u>at 10:00 a.m. ET in room 2154 of the Rayburn</u> <u>House Office Building and remotely on the Zoom video platform</u>, the Subcommittee on Civil Rights and Civil Liberties will host a hybrid hearing on "Developments in State Cannabis Laws and Bipartisan Cannabis Reforms at the Federal Level."

I. BACKGROUND

On October 6, 2022, President Biden announced that he granted a pardon to everyone convicted of simple marijuana possession under federal law and called for a review of how marijuana is scheduled under the Controlled Substances Act (CSA). Advocates for cannabis reform welcomed the President's actions but continue to call for action in the legislative branch to decriminalize cannabis.

As of May 27, 2022, 19 states, two territories, and the District of Columbia (DC) have enacted measures to regulate cannabis for adult non-medical use. In addition, 37 states, three territories, and DC allow the use of medical marijuana.³ However, cannabis remains a Schedule 1 drug under the CSA.⁴ Multiple bills have been introduced in Congress to reform federal cannabis law and remove cannabis from the CSA.

¹ Biden Pardons Marijuana Offenses, Calls for Review of Federal Law, Politico (Oct. 6, 2022) (online at www.politico.com/news/2022/10/06/biden-to-pardon-marijuana-offenses-call-for-review-of-federal-law-00060796).

² Advocates Cheer Biden Marijuana Decision, Call for Legalization, The Hill (Oct. 6, 2022) (online at https://thehill.com/business-a-lobbying/business-lobbying/3677069-advocates-cheer-biden-marijuana-decision-call-for-legalization/).

³ National Conference of State Legislatures, *State Medical Cannabis Laws* (Sept. 12, 2022) (online at www.ncsl.org/research/health/state-medical-marijuana-laws.aspx).

⁴ Department of Justice, Drug Enforcement Administration, *Drug Fact Sheet* (Apr. 2020) (online at www.dea.gov/sites/default/files/2020-06/Marijuana-Cannabis-2020 0.pdf).

The MORE Act would remove cannabis from the Controlled Substances Act, decriminalizing it at the federal level. It would also include automatic expungement of cannabis arrests, charges, and convictions, impose a 5% tax on the retail sales of cannabis, and create the Office of Cannabis Justice. Further, the MORE Act would, according to supporters, "open the door to research, better banking and tax laws, and help fuel economic growth as states are looking for financial resources." 5

The States Reform Act (SRA) would remove the Controlled Substances Act's federal preemption of cannabis through scheduling control, federally decriminalizing it. The SRA also includes expungement, release, and resentencing provisions for non-violent, non-cartel, non-DUI offenders. It would impose a 3% federal excise tax on marijuana sales that cannot change for ten years and would regulate them under the U.S. Department of Treasury's Tax and Trade Bureau, similar to how alcohol is regulated. The SRA would, according to supporters, "end[] prohibition in a manner consistent with helping all Americans achieve their full potential and limiting the number of barriers that inhibit innovation and entrepreneurship in a free and open market."

II. HEARING PURPOSE

This hearing will be a bipartisan examination of the many benefits of decriminalization at the federal level, including: criminal justice reform, which will largely benefit communities of color, as well as the justice system more broadly; access for veterans through the Department of Veterans Affairs; and the ability for the legal cannabis industry to access financial services.

III. WITNESSES

The Honorable Randall Woodfin

Mayor

City of Birmingham, Alabama

Paul Armentano

Deputy Director

National Organization for the Reform of Marijuana Laws

Andrew Freedman

Executive Director

Coalition for Cannabis Policy, Education, and Regulation

Eric Goepel

Founder and Chief Executive Officer

Veterans Cannabis Coalition

⁵ Marijuana Policy Project, *The MORE Act* (online at www.mpp.org/policy/federal/the-more-act/) (accessed Nov. 7, 2022).

⁶ Cannabis Freedom Alliance, *Press Release: Cannabis Freedom Alliance Endorses Rep. Mace's States Reform Act* (Nov. 15, 2021) (online at www.globenewswire.com/news-release/2021/11/15/2334607/0/en/Cannabis-Freedom-Alliance-Endorses-Rep-Mace-s-States-Reform-Act.html).

Keeda Haynes

Senior Legal Advisor Free Hearts

Amber Littlejohn

Senior Policy Advisor Global Alliance for Cannabis Commerce

Jillian Snider

Policy Director of Criminal Justice & Civil Liberties R Street Institute

Staff Contacts: Devon Ombres, Courtney Koelbel, and Maureen Edobor at (202) 225-5051.