

Wyden, Schumer, Booker introduce Cannabis Administration and Opportunity Act

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Senate Finance Committee Chair Ron Wyden, D-Ore., Senate Majority Leader Chuck Schumer, D-N.Y., and Senator Cory Booker, D-N.J., recently introduced the Cannabis Administration and Opportunity Act (CAOA), comprehensive legislation that would end the harmful and out-of-touch federal prohibition on cannabis by removing cannabis from the federal list of controlled substances and empowering states to implement their own cannabis laws.

The legislation establishes a federal regulatory framework to protect public health and safety with provisions to combat illicit market cannabis production, prioritizes restorative and economic justice to help undo the decades of harm caused by the failed War on Drugs, ends discrimination in the provision of federal benefits on the basis of cannabis use, provides major investments for cannabis research, and strengthens worker protections. By decriminalizing cannabis at the federal level, the CAO A also ensures that state-legal cannabis businesses or those in adjacent industries will no longer be denied access to bank accounts or financial

services simply because of their ties to cannabis -- an important effort led by U.S. Senator Jeff Merkley, as author of the SAFE Banking Act, and supported by Wyden.

The CAOAA was first released as a discussion draft last year, alongside a request for comments from stakeholders. After receiving more than 1,800 comments and working with various Senate committees, the senators refined and expanded on the discussion draft proposal, which they are formally introducing today. A full summary of the revisions to the CAOAA discussion draft can be found [HERE](#).

“For far too long, the federal prohibition on cannabis and the War on Drugs has been a war on people, and particularly people of color,” said Leader Schumer. “The Cannabis Administration and Opportunity Act will be a catalyst for change by removing cannabis from the federal list of controlled substances, protecting public health and safety, and expunging the criminal records of those with low-level cannabis offenses, providing millions with a new lease on life. A majority of Americans now support legalizing cannabis, and Congress must act by working to end decades of over-criminalization. It is time to end the federal prohibition on cannabis.”

“It’s no longer a question of ‘if cannabis should be legal.’ The states are moving ahead, and not only do the overwhelming majority of American people support legalization, they now live in a state where some form of cannabis is legal,” Wyden said. “I’d ask my colleagues in the Senate to think long and hard about what keeping the federal government stuck in yesteryear means for public health and safety. By failing to act, the federal government is empowering the illicit cannabis market, it’s ruining lives and propping up deeply rooted racism in our criminal justice system, it’s holding back small cannabis businesses from growing and creating jobs in their communities. Cannabis legalization is here, and Congress needs to get with the program.”

“As more states legalize cannabis and work towards reversing the many injustices the failed War on Drugs levied against Black, Brown, and low-income people, the federal government continues to lag woefully behind,” said Booker. “With strong restorative justice provisions for communities impacted by the drug war, support for small cannabis businesses, and expungement of federal cannabis offenses, this bill reflects long overdue, common sense drug policy. I am proud to have partnered with Senators Schumer and Wyden to introduce this critical legislation. The support that we have received from committee chairs and outside groups underscores the historic nature of this bill and the urgent need for Congress to pass it.”

The Cannabis Administration and Opportunity Act:

Protects public health by establishing strong cannabis health and safety standards under the U.S. Food and Drug Administration, mandating that states keep cannabis out of the hands of those under 21, ensuring cannabis producers are licensed and that their products are consistently labeled, and requiring the U.S. Department of Veterans Affairs (VA) and Indian Health Service (IHS) to provide recommendations and opinions regarding the medical use of cannabis by VA and IHS patients.

Protects public safety by implementing robust anti-diversion rules, including a track-and-trace system, adopting quantitative limitations on retail purchases to combat illicit market cannabis production and

distribution, establishing grants to assist small law enforcement agencies in hiring and training officers, and establishing a new effort at the National Highway Traffic Safety Administration to combat drugged driving and multi-substance impairment.

Prioritizes restorative and economic justice by automatically expunging federal cannabis convictions and encouraging states to do the same, breaking down barriers to the cannabis industry and expanding access to loans and capital for entrepreneurs harmed by the failed War on Drugs, and ending discrimination in provision of federal benefits -- like federal housing or federal student loans -- on the basis of cannabis use.

Regulates and taxes cannabis by transferring federal jurisdiction over cannabis from the Drug Enforcement Agency to the FDA and the Alcohol and Tobacco Tax and Trade Bureau (TTB) within the Treasury Department, and implementing a regulatory regime similar to alcohol and tobacco, while recognizing the unique nature of cannabis products. It also eliminates the tax code's restriction on cannabis businesses claiming deductions for businesses expenses and implements an excise tax on cannabis products.

Encourages cannabis research by requiring more federal research into impacts of cannabis on health and public safety, establishing clinical trials through the VA to study the effects of medical cannabis on the health outcomes of veterans, compiling industry-related data and trends, and establishing grants to build up cannabis research capacity at institutions of higher education, with particular focus on minority-serving institutions and Historically Black Colleges and Universities.

Strengthens workers' rights by removing unnecessary federal employee pre-employment and random drug testing for cannabis, while preserving appropriate drug testing for certain sensitive categories of employees where continued testing is determined necessary, including national security, law enforcement, and commercial transportation; and ensuring worker protections for those employed in the cannabis industry.