

116<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 3884

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IN THE SENATE OF THE UNITED STATES

DECEMBER 7, 2020

Received; read twice and referred to the Committee on Finance

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## AN ACT

To decriminalize and deschedule cannabis, to provide for reinvestment in certain persons adversely impacted by the War on Drugs, to provide for expungement of certain cannabis offenses, and for other purposes.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Marijuana Opportunity  
3 Reinvestment and Expungement Act of 2020” or the  
4 “MORE Act of 2020”.

5 **SEC. 2. FINDINGS.**

6 The Congress finds as follows:

7 (1) The communities that have been most  
8 harmed by cannabis prohibition are benefiting the  
9 least from the legal marijuana marketplace.

10 (2) A legacy of racial and ethnic injustices,  
11 compounded by the disproportionate collateral con-  
12 sequences of 80 years of cannabis prohibition en-  
13 forcement, now limits participation in the industry.

14 (3) 36 States, the District of Columbia, Puerto  
15 Rico, and Guam have adopted laws allowing legal ac-  
16 cess to cannabis, and 15 States, the District of Co-  
17 lumbia, and the Commonwealth of the Northern  
18 Mariana Islands have adopted laws legalizing can-  
19 nabis for adult recreational use.

20 (4) A total of 47 States have reformed their  
21 laws pertaining to cannabis despite the Schedule I  
22 status of marijuana and its Federal criminalization.

23 (5) Legal cannabis sales totaled \$9.5 billion in  
24 2017 and are projected to reach \$23 billion by 2022.

1           (6) According to the American Civil Liberties  
2 Union (ACLU), enforcing cannabis prohibition laws  
3 costs taxpayers approximately \$3.6 billion a year.

4           (7) The continued enforcement of cannabis pro-  
5 hibition laws results in over 600,000 arrests annu-  
6 ally, disproportionately impacting people of color  
7 who are almost 4 times more likely to be arrested  
8 for cannabis possession than their White counter-  
9 parts, despite equal rates of use across populations.

10          (8) People of color have been historically tar-  
11 getted by discriminatory sentencing practices result-  
12 ing in Black men receiving drug sentences that are  
13 13.1 percent longer than sentences imposed for  
14 White men and Latinos being nearly 6.5 times more  
15 likely to receive a Federal sentence for cannabis pos-  
16 session than non-Hispanic Whites.

17          (9) In 2013, simple cannabis possession was the  
18 fourth most common cause of deportation for any of-  
19 fense and the most common cause of deportation for  
20 drug law violations.

21          (10) Fewer than one-fifth of cannabis business  
22 owners identify as minorities and only approximately  
23 4 percent are black.

24          (11) Applicants for cannabis licenses are lim-  
25 ited by numerous laws, regulations, and exorbitant

1 permit applications, licensing fees, and costs in these  
2 States, which can require more than \$700,000.

3 (12) Historically disproportionate arrest and  
4 conviction rates make it particularly difficult for  
5 people of color to enter the legal cannabis market-  
6 place, as most States bar these individuals from par-  
7 ticipating.

8 (13) Federal law severely limits access to loans  
9 and capital for cannabis businesses, disproportion-  
10 ately impacting minority small business owners.

11 (14) Some States and municipalities have taken  
12 proactive steps to mitigate inequalities in the legal  
13 cannabis marketplace and ensure equal participation  
14 in the industry.

15 **SEC. 3. DECRIMINALIZATION OF CANNABIS.**

16 (a) CANNABIS REMOVED FROM SCHEDULE OF CON-  
17 TROLLED SUBSTANCES.—

18 (1) REMOVAL IN STATUTE.—Subsection (c) of  
19 schedule I of section 202(c) of the Controlled Sub-  
20 stances Act (21 U.S.C. 812) is amended—

21 (A) by striking “(10) Marihuana.”; and

22 (B) by striking “(17)  
23 Tetrahydrocannabinols, except for  
24 tetrahydrocannabinols in hemp (as defined in

1 section 297A of the Agricultural Marketing Act  
2 of 1946).”.

3 (2) REMOVAL FROM SCHEDULE.—Not later  
4 than 180 days after the date of the enactment of  
5 this Act, the Attorney General shall finalize a rule-  
6 making under section 201(a)(2) removing mari-  
7 huana and tetrahydrocannabinols from the schedules  
8 of controlled substances. For the purposes of the  
9 Controlled Substances Act, marihuana and  
10 tetrahydrocannabinols shall each be deemed to be a  
11 drug or other substance that does not meet the re-  
12 quirements for inclusion in any schedule. A rule-  
13 making under this paragraph shall be considered to  
14 have taken effect as of the date of enactment of this  
15 Act for purposes of any offense committed, case  
16 pending, conviction entered, and, in the case of a ju-  
17 venile, any offense committed, case pending, and ad-  
18 judication of juvenile delinquency entered before, on,  
19 or after the date of enactment of this Act.

20 (b) CONFORMING AMENDMENTS TO CONTROLLED  
21 SUBSTANCES ACT.—The Controlled Substances Act (21  
22 U.S.C. 801 et seq.) is amended—

23 (1) in section 102(44) (21 U.S.C. 802(44)), by  
24 striking “marihuana,”;

25 (2) in section 401(b) (21 U.S.C. 841(b))—

- 1 (A) in paragraph (1)—
- 2 (i) in subparagraph (A)—
- 3 (I) in clause (vi), by inserting
- 4 “or” after the semicolon;
- 5 (II) by striking clause (vii); and
- 6 (III) by redesignating clause
- 7 (viii) as clause (vii);
- 8 (ii) in subparagraph (B)—
- 9 (I) in clause (vi), by inserting
- 10 “or” after the semicolon;
- 11 (II) by striking clause (vii); and
- 12 (III) by redesignating clause
- 13 (viii) as clause (vii);
- 14 (iii) in subparagraph (C), in the first
- 15 sentence, by striking “subparagraphs (A),
- 16 (B), and (D)” and inserting “subpara-
- 17 graphs (A) and (B)”;
- 18 (iv) by striking subparagraph (D);
- 19 (v) by redesignating subparagraph (E)
- 20 as subparagraph (D); and
- 21 (vi) in subparagraph (D)(i), as so re-
- 22 designated, by striking “subparagraphs (C)
- 23 and (D)” and inserting “subparagraph
- 24 (C)”;
- 25 (B) by striking paragraph (4); and

1 (C) by redesignating paragraphs (5), (6),  
2 and (7) as paragraphs (4), (5), and (6), respec-  
3 tively;

4 (3) in section 402(c)(2)(B) (21 U.S.C.  
5 842(c)(2)(B)), by striking “, marihuana,”;

6 (4) in section 403(d)(1) (21 U.S.C. 843(d)(1)),  
7 by striking “, marihuana,”;

8 (5) in section 418(a) (21 U.S.C. 859(a)), by  
9 striking the last sentence;

10 (6) in section 419(a) (21 U.S.C. 860(a)), by  
11 striking the last sentence;

12 (7) in section 422(d) (21 U.S.C. 863(d))—

13 (A) in the matter preceding paragraph (1),  
14 by striking “marijuana,”; and

15 (B) in paragraph (5), by striking “, such  
16 as a marihuana cigarette,”; and

17 (8) in section 516(d) (21 U.S.C. 886(d)), by  
18 striking “section 401(b)(6)” each place the term ap-  
19 pears and inserting “section 401(b)(5)”.

20 (c) OTHER CONFORMING AMENDMENTS.—

21 (1) NATIONAL FOREST SYSTEM DRUG CONTROL  
22 ACT OF 1986.—The National Forest System Drug  
23 Control Act of 1986 (16 U.S.C. 559b et seq.) is  
24 amended—

1 (A) in section 15002(a) (16 U.S.C.  
2 559b(a)) by striking “marijuana and other”;

3 (B) in section 15003(2) (16 U.S.C.  
4 559c(2)) by striking “marijuana and other”;  
5 and

6 (C) in section 15004(2) (16 U.S.C.  
7 559d(2)) by striking “marijuana and other”.

8 (2) INTERCEPTION OF COMMUNICATIONS.—Sec-  
9 tion 2516 of title 18, United States Code, is amend-  
10 ed—

11 (A) in subsection (1)(e), by striking “mari-  
12 huana,”; and

13 (B) in subsection (2) by striking “mari-  
14 huana”.

15 (3) FMCSA PROVISIONS.—

16 (A) CONFORMING AMENDMENT.—Section  
17 31301(5) of title 49, United States Code, is  
18 amended by striking “section 31306,” and in-  
19 serting “sections 31306, 31306a, and sub-  
20 sections (b) and (c) of section 31310,”.

21 (B) DEFINITION.—Section 31306(a) of  
22 title 49, United States Code, is amended—

23 (i) by striking “means any substance”  
24 and inserting the following: “means—  
25 “(A) any substance”; and



1 (ii) by striking the period at the end  
2 and inserting “; and

3 “(B) any substance not covered under sub-  
4 paragraph (A) that was a substance under such  
5 section as of December 1, 2018, and specified  
6 by the Secretary of Transportation.”.

7 (C) DISQUALIFICATIONS.—Section  
8 31310(b) of title 49, United States Code, is  
9 amended by adding at the end the following:

10 “(3) In this subsection and subsection (c), the  
11 term ‘controlled substance’ has the meaning given  
12 such term in section 31306(a).”.

13 (4) FAA PROVISIONS.—Section 45101 of title  
14 49, United States Code, is amended—

15 (A) by striking “means any substance”  
16 and inserting the following: “means—

17 “(A) any substance”; and

18 (B) by striking the period at the end and  
19 inserting “; and

20 “(B) any substance not covered under sub-  
21 paragraph (A) that was a substance under such  
22 section as of December 1, 2018, and specified  
23 by the Secretary of Transportation.”.

24 (5) FRA PROVISIONS.—Section 20140(a) of  
25 title 49, United States Code, is amended—

1 (A) by striking “means any substance”  
2 and inserting the following: “means—

3 “(A) any substance”; and

4 (B) by striking the period at the end and  
5 inserting “; and

6 “(B) any substance not covered under sub-  
7 paragraph (A) that was a substance under such  
8 section as of December 1, 2018, and specified  
9 by the Secretary of Transportation.”.

10 (6) FTA PROVISIONS.—Section 5331(a)(1) of  
11 title 49, United States Code, is amended—

12 (A) by striking “means any substance”  
13 and inserting the following: “means—

14 “(A) any substance”; and

15 (B) by striking the period at the end and  
16 inserting “; and

17 “(B) any substance not covered under sub-  
18 paragraph (A) that was a substance under such  
19 section as of December 1, 2018, and whose use  
20 the Secretary of Transportation decides has a  
21 risk to transportation safety.”.

22 (d) RETROACTIVITY.—The amendments made by this  
23 section to the Controlled Substances Act (21 U.S.C. 801  
24 et seq.) are retroactive and shall apply to any offense com-  
25 mitted, case pending, conviction entered, and, in the case

1 of a juvenile, any offense committed, case pending, or ad-  
2 judication of juvenile delinquency entered before, on, or  
3 after the date of enactment of this Act.

4 (e) EFFECT ON OTHER LAW.—Nothing in this sub-  
5 title shall affect or modify—

6 (1) the Federal Food, Drug, and Cosmetic Act  
7 (21 U.S.C. 301 et seq.);

8 (2) section 351 of the Public Health Service  
9 Act (42 U.S.C. 262); or

10 (3) the authority of the Commissioner of Food  
11 and Drugs and the Secretary of Health and Human  
12 Services—

13 (A) under—

14 (i) the Federal Food, Drug, and Cos-  
15 metic Act (21 U.S. 301 et seq.); or

16 (ii) section 351 of the Public Health  
17 Service Act (42 U.S.C. 262); or

18 (B) to promulgate Federal regulations and  
19 guidelines that relate to products containing  
20 cannabis or cannabis-derived compounds under  
21 the Act described in subparagraph (A)(i) or the  
22 section described in subparagraph (A)(ii).

23 (f) PUBLIC MEETINGS.—Not later than one year  
24 after the date of enactment of this Act, the Secretary of  
25 Health and Human Services, acting through the Commis-

1 sioner of Food and Drugs, shall hold not less than one  
2 public meeting to address the regulation, safety, manufac-  
3 turing, product quality, marketing, labeling, and sale of  
4 products containing cannabis or cannabis-derived com-  
5 pounds.

6 (g) SPECIAL RULE FOR FEDERAL EMPLOYEE TEST-  
7 ING.—Section 503 of the Supplemental Appropriations  
8 Act, 1987 (5 U.S.C. 7301 note) is amended by adding at  
9 the end the following:

10 “(h) MARIJUANA.—

11 “(1) CONTINUED TESTING.—Notwithstanding  
12 the Marijuana Opportunity Reinvestment and  
13 Expungement Act of 2020 and the amendments  
14 made thereby, the Secretary of Health and Human  
15 Services may continue to include marijuana for pur-  
16 poses of drug testing of Federal employees subject  
17 to this section, Executive Order 12564, or other ap-  
18 plicable Federal laws and orders.

19 “(2) DEFINITION.—The term ‘marijuana’ has  
20 the meaning given to the term ‘marihuana’ in sec-  
21 tion 102 of the Controlled Substances Act (21 6  
22 U.S.C. 802) on the day before the date of enactment  
23 of the Marijuana Opportunity Reinvestment and  
24 Expungement Act of 2020.”.

25 (h) SPECIAL RULE FOR CERTAIN REGULATIONS.—

1           (1) IN GENERAL.—The amendments made by  
2 this section may not be construed to abridge the au-  
3 thority of the Secretary of Transportation, or the  
4 Secretary of the department in which the Coast  
5 Guard is operating, to regulate and screen for the  
6 use of a controlled substance.

7           (2) CONTROLLED SUBSTANCE DEFINED.—In  
8 this subsection, the term “controlled substance”  
9 means—

10                   (A) any substance covered under section  
11 102 of the Controlled Substances Act (21  
12 U.S.C. 802) on the day before the date of en-  
13 actment of this Act; and

14                   (B) any substance not covered under sub-  
15 paragraph (A) that was a substance covered  
16 under section 102 of the Controlled Substances  
17 Act (21 U.S.C. 802) on December 1, 2018, and  
18 specified by the Secretary of Transportation.

19 **SEC. 4. DEMOGRAPHIC DATA OF CANNABIS BUSINESS OWN-**  
20 **ERS AND EMPLOYEES.**

21           (a) IN GENERAL.—The Bureau of Labor Statistics  
22 shall regularly compile, maintain, and make public data  
23 on the demographics of—

24                   (1) individuals who are business owners in the  
25 cannabis industry; and

1           (2) individuals who are employed in the can-  
2 nabis industry.

3           (b) DEMOGRAPHIC DATA.—The data collected under  
4 subsection (a) shall include data regarding—

5           (1) age;

6           (2) certifications and licenses;

7           (3) disability status;

8           (4) educational attainment;

9           (5) family and marital status;

10          (6) nativity;

11          (7) race and Hispanic ethnicity;

12          (8) school enrollment;

13          (9) veteran status; and

14          (10) sex.

15          (c) CONFIDENTIALITY.—The name, address, and  
16 other identifying information of individuals employed in  
17 the cannabis industry shall be kept confidential by the Bu-  
18 reau and not be made available to the public.

19          (d) DEFINITIONS.—In this section:

20           (1) CANNABIS.—The term “cannabis” means  
21 either marijuana or cannabis as defined under the  
22 State law authorizing the sale or use of cannabis in  
23 which the individual or entity is located.

24           (2) CANNABIS INDUSTRY.—The term “cannabis  
25 industry” means an individual or entity that is li-

1 censed or permitted under a State or local law to en-  
2 gage in commercial cannabis-related activity.

3 (3) OWNER.—The term “owner” means an in-  
4 dividual or entity that is defined as an owner under  
5 the State or local law where the individual or busi-  
6 ness is licensed or permitted.

7 **SEC. 5. CREATION OF OPPORTUNITY TRUST FUND AND IM-**  
8 **POSITION OF TAXES WITH RESPECT TO CAN-**  
9 **NABIS PRODUCTS.**

10 (a) ESTABLISHMENT OF TRUST FUND.—Subchapter  
11 A of chapter 98 of the Internal Revenue Code of 1986  
12 is amended by adding at the end the following new section:

13 **“SEC. 9512. OPPORTUNITY TRUST FUND.**

14 “(a) CREATION OF TRUST FUND.—There is estab-  
15 lished in the Treasury of the United States a trust fund  
16 to be known as the ‘Opportunity Trust Fund’ (referred  
17 to in this section as the ‘Trust Fund’), consisting of such  
18 amounts as may be appropriated or credited to such fund  
19 as provided in this section or section 9602(b).

20 “(b) TRANSFERS TO TRUST FUND.—There are here-  
21 by appropriated to the Trust Fund amounts equivalent to  
22 the net revenues received in the Treasury from the taxes  
23 imposed under chapter 56.

1       “(c) EXPENDITURES.—Amounts in the Trust Fund  
2 shall be available, without further appropriation, only as  
3 follows:

4           “(1) 50 percent to the Attorney General to  
5 carry out section 3052(a) of part OO of the Omni-  
6 bus Crime Control and Safe Streets Act of 1968.

7           “(2) 10 percent to the Attorney General to  
8 carry out section 3052(b) of part OO of the Omni-  
9 bus Crime Control and Safe Streets Act of 1968.

10          “(3) 20 percent to the Administrator of the  
11 Small Business Administration to carry out section  
12 6(b)(1) of the Marijuana Opportunity Reinvestment  
13 and Expungement Act of 2020.

14          “(4) 20 percent to the Administrator of the  
15 Small Business Administration to carry out section  
16 6(b)(2) of the Marijuana Opportunity Reinvestment  
17 and Expungement Act of 2020.”.

18       (b) CANNABIS REVENUE AND REGULATION ACT.—  
19 Subtitle E of the Internal Revenue Code of 1986 is  
20 amended by adding at the end the following new chapter:

21       **“CHAPTER 56—CANNABIS PRODUCTS**

          “SUBCHAPTER A. TAX ON CANNABIS PRODUCTS

                  “SUBCHAPTER B. OCCUPATIONAL TAX

                  “SUBCHAPTER C. BOND AND PERMITS

                          “SUBCHAPTER D. OPERATIONS

                          “SUBCHAPTER E. PENALTIES



## 1    **“Subchapter A—Tax on Cannabis Products**

“Sec. 5901. Imposition of tax.

“Sec. 5902. Definitions.

“Sec. 5903. Liability and method of payment.

“Sec. 5904. Exemption from tax; transfers in bond.

“Sec. 5905. Credit, refund, or drawback of tax.

### 2    **“SEC. 5901. IMPOSITION OF TAX.**

3           “(a) IMPOSITION OF TAX.—There is hereby imposed  
4 on any cannabis product produced in or imported into the  
5 United States a tax equal to—

6                   “(1) for any such product removed during the  
7 first 5 calendar years ending after the date on which  
8 this chapter becomes effective, the applicable per-  
9 centage of such product’s removal price, and

10                   “(2) for any product removed during any cal-  
11 endar year after the calendar years described in  
12 paragraph (1), the applicable equivalent amount.

13           “(b) APPLICABLE PERCENTAGE.—For purposes of  
14 subsection (a)(1), the applicable percentage shall be deter-  
15 mined as follows:

16                   “(1) For any cannabis product removed during  
17 the first 2 calendar years ending after the date on  
18 which this chapter becomes effective, 5 percent.

19                   “(2) For any cannabis product removed during  
20 the calendar year after the last calendar year to  
21 which paragraph (1) applies, 6 percent.

1           “(3) For any cannabis product removed during  
2 the calendar year after the calendar year to which  
3 paragraph (2) applies, 7 percent.

4           “(4) For any cannabis product removed during  
5 the calendar year after the calendar year to which  
6 paragraph (3) applies, 8 percent.

7           “(c) APPLICABLE EQUIVALENT AMOUNT.—

8           “(1) IN GENERAL.—For purposes of subsection  
9 (a)(2), the term ‘applicable equivalent amount’  
10 means, with respect to any cannabis product re-  
11 moved during any calendar year, an amount equal  
12 to—

13           “(A) in the case of any cannabis product  
14 not described in subparagraph (B), the product  
15 of the applicable rate per ounce multiplied by  
16 the number of ounces of such product (and a  
17 proportionate tax at the like rate on all frac-  
18 tional parts of an ounce of such product), and

19           “(B) in the case of any THC-measurable  
20 cannabis product, the product of the applicable  
21 rate per gram multiplied by the number of  
22 grams of tetrahydrocannabinol in such product  
23 (and a proportionate tax at the like rate on all  
24 fractional parts of a gram of  
25 tetrahydrocannabinol in such product).

1 “(2) APPLICABLE RATES.—

2 “(A) IN GENERAL.—For purposes of para-  
3 graph (1)(A), the term ‘applicable rate per  
4 ounce’ means, with respect to any cannabis  
5 product removed during any calendar year, 8  
6 percent of the prevailing sales price of cannabis  
7 flowers sold in the United States during the 12-  
8 month period ending one calendar quarter be-  
9 fore such calendar year, expressed on a per  
10 ounce basis, as determined by the Secretary.

11 “(B) THC-MEASURABLE CANNABIS PROD-  
12 UCTS.—For purposes of paragraph (1)(B), the  
13 term ‘applicable rate per gram’ means, with re-  
14 spect to any cannabis product removed during  
15 any calendar year, 8 percent of the prevailing  
16 sales price of tetrahydrocannabinol sold in the  
17 United States during the 12-month period end-  
18 ing one calendar quarter before such calendar  
19 year, expressed on a per gram basis, as deter-  
20 mined by the Secretary.

21 “(d) TIME OF ATTACHMENT ON CANNABIS PROD-  
22 UCTS.—The tax under this section shall attach to any can-  
23 nabis product as soon as such product is in existence as  
24 such, whether it be subsequently separated or transferred

1 into any other substance, either in the process of original  
2 production or by any subsequent process.

3 **“SEC. 5902. DEFINITIONS.**

4 “(a) DEFINITIONS RELATED TO CANNABIS PROD-  
5 UCTS.—For purposes of this chapter—

6 “(1) CANNABIS PRODUCT.—

7 “(A) IN GENERAL.—Except as provided in  
8 subparagraph (B), the term ‘cannabis product’  
9 means any article which contains (or consists  
10 of) cannabis.

11 “(B) EXCEPTIONS.—The term ‘cannabis  
12 product’ shall not include an FDA-approved ar-  
13 ticle or industrial hemp.

14 “(C) FDA-APPROVED ARTICLE.—The term  
15 ‘FDA-approved article’ means any article if the  
16 producer or importer thereof demonstrates to  
17 the satisfaction of the Secretary of Health and  
18 Human Services that such article is—

19 “(i) a drug—

20 “(I) that is approved under sec-  
21 tion 505 of the Federal Food, Drug,  
22 and Cosmetic Act or licensed under  
23 section 351 of the Public Health Serv-  
24 ice Act, or

1                   “(II) for which an investigational  
2                   use exemption has been authorized  
3                   under section 505(i) of the Federal  
4                   Food, Drug, and Cosmetic Act or  
5                   under section 351(a) of the Public  
6                   Health Service Act, or

7                   “(ii) a combination product (as de-  
8                   scribed in section 503(g) of the Federal  
9                   Food, Drug, and Cosmetic Act), the con-  
10                  stituent parts of which were approved or  
11                  cleared under section 505, 510(k), or 515  
12                  of such Act.

13                  “(D) INDUSTRIAL HEMP.—The term ‘in-  
14                  dustrial hemp’ means the plant *Cannabis sativa*  
15                  L. and any part of such plant, whether growing  
16                  or not, with a delta-9 tetrahydrocannabinol con-  
17                  centration of not more than 0.3 percent on a  
18                  dry weight basis.

19                  “(2) THC-MEASURABLE CANNABIS PRODUCT.—  
20                  The term ‘THC-measurable cannabis product’  
21                  means any cannabis product—

22                  “(A) with respect to which the Secretary  
23                  has made a determination that the amount of  
24                  tetrahydrocannabinol in such product can be  
25                  measured with a high degree of accuracy, or

1           “(B) which is not cannabis flower and the  
2           concentration of tetrahydrocannabinol in which  
3           is significantly higher than the average such  
4           concentration in cannabis flower.

5           “(3) CANNABIS.—The term ‘cannabis’ has the  
6           meaning given such term under section 102(16) of  
7           the Controlled Substances Act (21 U.S.C. 802(16)).

8           “(b) DEFINITIONS RELATED TO CANNABIS ENTER-  
9           PRISES.—For purposes of this chapter—

10           “(1) CANNABIS ENTERPRISE.—The term ‘can-  
11           nabis enterprise’ means a producer, importer, or ex-  
12           port warehouse proprietor.

13           “(2) PRODUCER.—

14           “(A) IN GENERAL.—The term ‘producer’  
15           means any person who plants, cultivates, har-  
16           vests, grows, manufactures, produces, com-  
17           pounds, converts, processes, prepares, or pack-  
18           ages any cannabis product.

19           “(B) PERSONAL USE EXCEPTION.—Subject  
20           to regulation prescribed by the Secretary, the  
21           term ‘producer’ shall not include any individual  
22           otherwise described in subparagraph (A) if the  
23           only cannabis product described in such sub-  
24           paragraph with respect to such individual is for  
25           personal or family use and not for sale.

1           “(3) IMPORTER.—The term ‘importer’ means  
2 any person who—

3           “(A) is in the United States and to whom  
4 non-tax-paid cannabis products, produced in a  
5 foreign country or a possession of the United  
6 States, are shipped or consigned,

7           “(B) removes cannabis products for sale or  
8 consumption in the United States from a cus-  
9 toms bonded warehouse, or

10           “(C) smuggles or otherwise unlawfully  
11 brings any cannabis product into the United  
12 States.

13           “(4) EXPORT WAREHOUSE PROPRIETOR.—

14           “(A) IN GENERAL.—The term ‘export  
15 warehouse proprietor’ means any person who  
16 operates an export warehouse.

17           “(B) EXPORT WAREHOUSE.—The term  
18 ‘export warehouse’ means a bonded internal  
19 revenue warehouse for the storage of cannabis  
20 products, upon which the internal revenue tax  
21 has not been paid—

22           “(i) for subsequent shipment to a for-  
23 eign country or a possession of the United  
24 States, or

1                   “(ii) for consumption beyond the ju-  
2                   risdiction of the internal revenue laws of  
3                   the United States.

4                   “(5) CANNABIS PRODUCTION FACILITY.—The  
5                   term ‘cannabis production facility’ means an estab-  
6                   lishment which is qualified under subchapter C to  
7                   perform any operation for which such qualification is  
8                   required under such subchapter.

9                   “(c) OTHER DEFINITIONS.—For purposes of this  
10 chapter—

11                   “(1) PRODUCE.—The term ‘produce’ includes  
12                   any activity described in subsection (b)(2)(A).

13                   “(2) REMOVAL; REMOVE.—The terms ‘removal’  
14                   or ‘remove’ means—

15                   “(A) the transfer of cannabis products  
16                   from the premises of a producer (or the trans-  
17                   fer of such products from the bonded premises  
18                   of a producer to a non-bonded premises of such  
19                   producer),

20                   “(B) release of such products from cus-  
21                   toms custody, or

22                   “(C) smuggling or other unlawful importa-  
23                   tion of such products into the United States.

24                   “(3) REMOVAL PRICE.—The term ‘removal  
25                   price’ means—



1           “(A) except as otherwise provided in this  
2 paragraph, the price for which the cannabis  
3 product is sold in the sale which occurs in con-  
4 nection with the removal of such product,

5           “(B) in the case of any such sale which is  
6 described in section 5903(c), the price deter-  
7 mined under such section, and

8           “(C) if there is no sale which occurs in  
9 connection with such removal, the price which  
10 would be determined under section 5903(c) if  
11 such product were sold at a price which cannot  
12 be determined.

13 **“SEC. 5903. LIABILITY AND METHOD OF PAYMENT.**

14       “(a) LIABILITY FOR TAX.—

15           “(1) ORIGINAL LIABILITY.—The producer or  
16 importer of any cannabis product shall be liable for  
17 the taxes imposed thereon by section 5901.

18           “(2) TRANSFER OF LIABILITY.—

19           “(A) IN GENERAL.—When cannabis prod-  
20 ucts are transferred, without payment of tax,  
21 pursuant to subsection (b) or (c) of section  
22 5904—

23           “(i) except as provided in clause (ii),  
24 the transferee shall become liable for the  
25 tax upon receipt by the transferee of such

1 articles, and the transferor shall thereupon  
2 be relieved of their liability for such tax,  
3 and

4 “(ii) in the case of cannabis products  
5 which are released in bond from customs  
6 custody for transfer to the bonded prem-  
7 ises of a producer, the transferee shall be-  
8 come liable for the tax on such articles  
9 upon release from customs custody, and  
10 the importer shall thereupon be relieved of  
11 their liability for such tax.

12 “(B) RETURNED TO BOND.—All provisions  
13 of this chapter applicable to cannabis products  
14 in bond shall be applicable to such articles re-  
15 turned to bond upon withdrawal from the mar-  
16 ket or returned to bond after previous removal  
17 for a tax-exempt purpose.

18 “(b) METHOD OF PAYMENT OF TAX.—

19 “(1) IN GENERAL.—

20 “(A) TAXES PAID ON BASIS OF RETURN.—

21 The taxes imposed by section 5901 shall be  
22 paid on the basis of return. The Secretary shall,  
23 by regulations, prescribe the period or the event  
24 to be covered by such return and the informa-  
25 tion to be furnished on such return.

1           “(B) APPLICATION TO TRANSFEREES.—In  
2           the case of any transfer to which subsection  
3           (a)(2)(A) applies, the tax under section 5901 on  
4           the transferee shall (if not otherwise relieved by  
5           reason of a subsequent transfer to which such  
6           subsection applies) be imposed with respect to  
7           the removal of the cannabis product from the  
8           bonded premises of the transferee.

9           “(C) POSTPONEMENT.—Any postponement  
10          under this subsection of the payment of taxes  
11          determined at the time of removal shall be con-  
12          ditioned upon the filing of such additional  
13          bonds, and upon compliance with such require-  
14          ments, as the Secretary may prescribe for the  
15          protection of the revenue. The Secretary may,  
16          by regulations, require payment of tax on the  
17          basis of a return prior to removal of the can-  
18          nabis products where a person defaults in the  
19          postponed payment of tax on the basis of a re-  
20          turn under this subsection or regulations pre-  
21          scribed thereunder.

22          “(D) ADMINISTRATION AND PENALTIES.—  
23          All administrative and penalty provisions of this  
24          title, insofar as applicable, shall apply to any  
25          tax imposed by section 5901.

1 “(2) TIME FOR PAYMENT OF TAXES.—

2 “(A) IN GENERAL.—Except as otherwise  
3 provided in this paragraph, in the case of taxes  
4 on cannabis products removed during any semi-  
5 monthly period under bond for deferred pay-  
6 ment of tax, the last day for payment of such  
7 taxes shall be the 14th day after the last day  
8 of such semimonthly period.

9 “(B) IMPORTED ARTICLES.—In the case of  
10 cannabis products which are imported into the  
11 United States, the following provisions shall  
12 apply:

13 “(i) IN GENERAL.—The last day for  
14 payment of tax shall be the 14th day after  
15 the last day of the semimonthly period  
16 during which the article is entered into the  
17 customs territory of the United States.

18 “(ii) SPECIAL RULE FOR ENTRY OF  
19 WAREHOUSING.—Except as provided in  
20 clause (iv), in the case of an entry for  
21 warehousing, the last day for payment of  
22 tax shall not be later than the 14th day  
23 after the last day of the semimonthly pe-  
24 riod during which the article is removed  
25 from the first such warehouse.

1           “(iii) FOREIGN TRADE ZONES.—Ex-  
2           cept as provided in clause (iv) and in regu-  
3           lations prescribed by the Secretary, articles  
4           brought into a foreign trade zone shall,  
5           notwithstanding any other provision of law,  
6           be treated for purposes of this subsection  
7           as if such zone were a single customs  
8           warehouse.

9           “(iv) EXCEPTION FOR ARTICLES DES-  
10          TINED FOR EXPORT.—Clauses (ii) and (iii)  
11          shall not apply to any article which is  
12          shown to the satisfaction of the Secretary  
13          to be destined for export.

14          “(C) CANNABIS PRODUCTS BROUGHT INTO  
15          THE UNITED STATES FROM PUERTO RICO.—In  
16          the case of cannabis products which are  
17          brought into the United States from Puerto  
18          Rico and subject to tax under section 7652, the  
19          last day for payment of tax shall be the 14th  
20          day after the last day of the semimonthly pe-  
21          riod during which the article is brought into the  
22          United States.

23          “(D) SPECIAL RULE WHERE DUE DATE  
24          FALLS ON SATURDAY, SUNDAY, OR HOLIDAY.—  
25          Notwithstanding section 7503, if, but for this

1           subparagraph, the due date under this para-  
2           graph would fall on a Saturday, Sunday, or a  
3           legal holiday (as defined in section 7503), such  
4           due date shall be the immediately preceding day  
5           which is not a Saturday, Sunday, or such a hol-  
6           iday.

7           “(E) SPECIAL RULE FOR UNLAWFULLY  
8           PRODUCED CANNABIS PRODUCTS.—In the case  
9           of any cannabis products produced in the  
10          United States at any place other than the  
11          premises of a producer that has filed the bond  
12          and obtained the permit required under this  
13          chapter, tax shall be due and payable imme-  
14          diately upon production.

15          “(3) PAYMENT BY ELECTRONIC FUND TRANS-  
16          FER.—Any person who in any 12-month period, end-  
17          ing December 31, was liable for a gross amount  
18          equal to or exceeding \$5,000,000 in taxes imposed  
19          on cannabis products by section 5901 (or section  
20          7652) shall pay such taxes during the succeeding  
21          calendar year by electronic fund transfer (as defined  
22          in section 5061(e)(2)) to a Federal Reserve Bank.  
23          Rules similar to the rules of section 5061(e)(3) shall  
24          apply to the \$5,000,000 amount specified in the pre-  
25          ceding sentence.

1 “(c) DETERMINATION OF PRICE.—

2 “(1) CONSTRUCTIVE SALE PRICE.—

3 “(A) IN GENERAL.—If an article is sold di-  
4 rectly to consumers, sold on consignment, or  
5 sold (otherwise than through an arm’s length  
6 transaction) at less than the fair market price,  
7 or if the price for which the article sold cannot  
8 be determined, the tax under section 5901(a)  
9 shall be computed on the price for which such  
10 articles are sold, in the ordinary course of  
11 trade, by producers thereof, as determined by  
12 the Secretary.

13 “(B) ARM’S LENGTH.—

14 “(i) IN GENERAL.—For purposes of  
15 this section, a sale is considered to be  
16 made under circumstances otherwise than  
17 at arm’s length if—

18 “(I) the parties are members of  
19 the same controlled group, whether or  
20 not such control is actually exercised  
21 to influence the sale price, or

22 “(II) the parties are members of  
23 a family, as defined in section  
24 267(c)(4), or

1                   “(III) the sale is made pursuant  
2                   to special arrangements between a  
3                   producer and a purchaser.

4                   “(ii) CONTROLLED GROUPS.—

5                   “(I) IN GENERAL.—The term  
6                   ‘controlled group’ has the meaning  
7                   given to such term by subsection (a)  
8                   of section 1563, except that ‘more  
9                   than 50 percent’ shall be substituted  
10                  for ‘at least 80 percent’ each place it  
11                  appears in such subsection.

12                  “(II) CONTROLLED GROUPS  
13                  WHICH INCLUDE NONINCORPORATED  
14                  PERSONS.—Under regulations pre-  
15                  scribed by the Secretary, principles  
16                  similar to the principles of subclause  
17                  (I) shall apply to a group of persons  
18                  under common control where one or  
19                  more of such persons is not a corpora-  
20                  tion.

21                  “(2) CONTAINERS, PACKING AND TRANSPOR-  
22                  TATION CHARGES.—In determining, for the purposes  
23                  of this chapter, the price for which an article is sold,  
24                  there shall be included any charge for coverings and  
25                  containers of whatever nature, and any charge inci-



1 dent to placing the article in condition packed ready  
2 for shipment, but there shall be excluded the amount  
3 of tax imposed by this chapter, whether or not stat-  
4 ed as a separate charge. A transportation, delivery,  
5 insurance, installation, or other charge (not required  
6 by the preceding sentence to be included) shall be  
7 excluded from the price only if the amount thereof  
8 is established to the satisfaction of the Secretary in  
9 accordance with regulations.

10 “(3) DETERMINATION OF APPLICABLE EQUIVA-  
11 LENT AMOUNTS.—Paragraphs (1) and (2) shall  
12 apply for purposes of section 5901(c) only to the ex-  
13 tent that the Secretary determines appropriate.

14 “(d) PARTIAL PAYMENTS AND INSTALLMENT AC-  
15 COUNTS.—

16 “(1) PARTIAL PAYMENTS.—In the case of—

17 “(A) a contract for the sale of an article  
18 wherein it is provided that the price shall be  
19 paid by installments and title to the article sold  
20 does not pass until a future date notwith-  
21 standing partial payment by installments,

22 “(B) a conditional sale, or

23 “(C) a chattel mortgage arrangement  
24 wherein it is provided that the sales price shall  
25 be paid in installments,

1       there shall be paid upon each payment with respect  
2       to the article a percentage of such payment equal to  
3       the rate of tax in effect on the date such payment  
4       is due.

5               “(2) SALES OF INSTALLMENT ACCOUNTS.—If  
6       installment accounts, with respect to payments on  
7       which tax is being computed as provided in para-  
8       graph (1), are sold or otherwise disposed of, then  
9       paragraph (1) shall not apply with respect to any  
10       subsequent payments on such accounts (other than  
11       subsequent payments on returned accounts with re-  
12       spect to which credit or refund is allowable by rea-  
13       son of section 6416(b)(5)), but instead—

14               “(A) there shall be paid an amount equal  
15       to the difference between—

16               “(i) the tax previously paid on the  
17       payments on such installment accounts,  
18       and

19               “(ii) the total tax which would be pay-  
20       able if such installment accounts had not  
21       been sold or otherwise disposed of (com-  
22       puted as provided in paragraph (1)), ex-  
23       cept that

24               “(B) if any such sale is pursuant to the  
25       order of, or subject to the approval of, a court

1 of competent jurisdiction in a bankruptcy or in-  
2 solvency proceeding, the amount computed  
3 under subparagraph (A) shall not exceed the  
4 sum of the amounts computed by multiplying—

5 “(i) the proportionate share of the  
6 amount for which such accounts are sold  
7 which is allocable to each unpaid install-  
8 ment payment, by

9 “(ii) the rate of tax under this chap-  
10 ter in effect on the date such unpaid in-  
11 stallment payment is or was due.

12 The sum of the amounts payable under this  
13 subsection in respect of the sale of any article  
14 shall not exceed the total tax.

15 **“SEC. 5904. EXEMPTION FROM TAX; TRANSFERS IN BOND.**

16 “(a) EXEMPTION FROM TAX.—Cannabis products on  
17 which the internal revenue tax has not been paid or deter-  
18 mined may, subject to such regulations as the Secretary  
19 shall prescribe, be withdrawn from the bonded premises  
20 of any producer in approved containers free of tax and  
21 not for resale for use—

22 “(1) exclusively in scientific research by a lab-  
23 oratory,

24 “(2) by a proprietor of a cannabis production  
25 facility in research, development, or testing (other

1 than consumer testing or other market analysis) of  
2 processes, systems, materials, or equipment, relating  
3 to cannabis or cannabis operations, under such limi-  
4 tations and conditions as to quantities, use, and ac-  
5 countability as the Secretary may by regulations re-  
6 quire for the protection of the revenue, or

7 “(3) by the United States or any governmental  
8 agency thereof, any State, any political subdivision  
9 of a State, or the District of Columbia, for non-  
10 consumption purposes.

11 “(b) CANNABIS PRODUCTS TRANSFERRED OR RE-  
12 MOVED IN BOND FROM DOMESTIC FACTORIES AND EX-  
13 PORT WAREHOUSES.—

14 “(1) IN GENERAL.—Subject to such regulations  
15 and under such bonds as the Secretary shall pre-  
16 scribe, a producer or export warehouse proprietor  
17 may transfer cannabis products, without payment of  
18 tax, to the bonded premises of another producer or  
19 export warehouse proprietor, or remove such articles,  
20 without payment of tax, for shipment to a foreign  
21 country or a possession of the United States, or for  
22 consumption beyond the jurisdiction of the internal  
23 revenue laws of the United States.

24 “(2) LABELING.—Cannabis products may not  
25 be transferred or removed under this subsection un-

1 less such products bear such marks, labels, or no-  
2 tices as the Secretary shall by regulations prescribe.

3 “(c) CANNABIS PRODUCTS RELEASED IN BOND  
4 FROM CUSTOMS CUSTODY.—Cannabis products imported  
5 or brought into the United States may be released from  
6 customs custody, without payment of tax, for delivery to  
7 a producer or export warehouse proprietor if such articles  
8 are not put up in packages, in accordance with such regu-  
9 lations and under such bond as the Secretary shall pre-  
10 scribe.

11 “(d) CANNABIS PRODUCTS EXPORTED AND RE-  
12 TURNED.—Cannabis products classifiable under item  
13 9801.00.10 of the Harmonized Tariff Schedule of the  
14 United States (relating to duty on certain articles pre-  
15 viously exported and returned), as in effect on the date  
16 of the enactment of the Marijuana Opportunity Reinvest-  
17 ment and Expungement Act of 2020, may be released  
18 from customs custody, without payment of that part of  
19 the duty attributable to the internal revenue tax for deliv-  
20 ery to the original producer of such cannabis products or  
21 to the export warehouse proprietor authorized by such pro-  
22 ducer to receive such products, in accordance with such  
23 regulations and under such bond as the Secretary shall  
24 prescribe. Upon such release such products shall be sub-

1 ject to this chapter as if they had not been exported or  
2 otherwise removed from internal revenue bond.

3 **“SEC. 5905. CREDIT, REFUND, OR DRAWBACK OF TAX.**

4 “(a) CREDIT OR REFUND.—

5 “(1) IN GENERAL.—Credit or refund of any tax  
6 imposed by this chapter or section 7652 shall be al-  
7 lowed or made (without interest) to the cannabis en-  
8 terprise on proof satisfactory to the Secretary that  
9 the claimant cannabis enterprise has paid the tax  
10 on—

11 “(A) cannabis products withdrawn from  
12 the market by the claimant, or

13 “(B) such products lost (otherwise than by  
14 theft) or destroyed, by fire, casualty, or act of  
15 God, while in the possession or ownership of the  
16 claimant.

17 “(2) CANNABIS PRODUCTS LOST OR DE-  
18 STROYED IN BOND.—

19 “(A) EXTENT OF LOSS ALLOWANCE.—No  
20 tax shall be collected in respect of cannabis  
21 products lost or destroyed while in bond, except  
22 that such tax shall be collected—

23 “(i) in the case of loss by theft, unless  
24 the Secretary finds that the theft occurred  
25 without connivance, collusion, fraud, or

1 negligence on the part of the proprietor of  
2 the cannabis production facility, owner,  
3 consignor, consignee, bailee, or carrier, or  
4 their employees or agents,

5 “(ii) in the case of voluntary destruc-  
6 tion, unless such destruction is carried out  
7 as provided in paragraph (3), and

8 “(iii) in the case of an unexplained  
9 shortage of cannabis products.

10 “(B) PROOF OF LOSS.—In any case in  
11 which cannabis products are lost or destroyed,  
12 whether by theft or otherwise, the Secretary  
13 may require the proprietor of a cannabis pro-  
14 duction facility or other person liable for the  
15 tax to file a claim for relief from the tax and  
16 submit proof as to the cause of such loss. In  
17 every case where it appears that the loss was by  
18 theft, the burden shall be upon the proprietor  
19 of the cannabis production facility or other per-  
20 son responsible for the tax under section 5901  
21 to establish to the satisfaction of the Secretary  
22 that such loss did not occur as the result of  
23 connivance, collusion, fraud, or negligence on  
24 the part of the proprietor of the cannabis pro-

1           duction facility, owner, consignor, consignee,  
2           bailee, or carrier, or their employees or agents.

3           “(C) REFUND OF TAX.—In any case where  
4           the tax would not be collectible by virtue of sub-  
5           paragraph (A), but such tax has been paid, the  
6           Secretary shall refund such tax.

7           “(D) LIMITATIONS.—Except as provided in  
8           subparagraph (E), no tax shall be abated, re-  
9           mitted, credited, or refunded under this para-  
10          graph where the loss occurred after the tax was  
11          determined. The abatement, remission, credit,  
12          or refund of taxes provided for by subpara-  
13          graphs (A) and (C) in the case of loss of can-  
14          nabis products by theft shall only be allowed to  
15          the extent that the claimant is not indemnified  
16          against or recompensed in respect of the tax for  
17          such loss.

18          “(E) APPLICABILITY.—The provisions of  
19          this paragraph shall extend to and apply in re-  
20          spect of cannabis products lost after the tax  
21          was determined and before completion of the  
22          physical removal of the cannabis products from  
23          the bonded premises.

24          “(3) VOLUNTARY DESTRUCTION.—The propri-  
25          etor of a cannabis production facility or other per-



1       sons liable for the tax imposed by this chapter or by  
2       section 7652 with respect to any cannabis product in  
3       bond may voluntarily destroy such products, but  
4       only if such destruction is under such supervision  
5       and under such regulations as the Secretary may  
6       prescribe.

7               “(4) LIMITATION.—Any claim for credit or re-  
8       fund of tax under this subsection shall be filed with-  
9       in 6 months after the date of the withdrawal from  
10      the market, loss, or destruction of the products to  
11      which the claim relates, and shall be in such form  
12      and contain such information as the Secretary shall  
13      by regulations prescribe.

14             “(b) DRAWBACK OF TAX.—There shall be an allow-  
15      ance of drawback of tax paid on cannabis products, when  
16      shipped from the United States, in accordance with such  
17      regulations and upon the filing of such bond as the Sec-  
18      retary shall prescribe.

## 19                   **“Subchapter B—Occupational Tax**

“Sec. 5911. Imposition and rate of tax.

“Sec. 5912. Payment of tax.

“Sec. 5913. Provisions relating to liability for occupational taxes.

“Sec. 5914. Application to State laws.

### 20                   **“SEC. 5911. IMPOSITION AND RATE OF TAX.**

21             “(a) IN GENERAL.—Any person engaged in business  
22      as a producer or an export warehouse proprietor shall pay  
23      a tax of \$1,000 per year (referred to in this subchapter

1 as an ‘occupational tax’) in respect of each premises at  
2 which such business is carried on.

3 “(b) PENALTY FOR FAILURE TO REGISTER.—Any  
4 person engaged in business as a producer or an export  
5 warehouse proprietor who willfully fails to pay the occupa-  
6 tion tax shall be fined not more than \$5,000, or impris-  
7 oned not more than 2 years, or both, for each such offense.

8 **“SEC. 5912. PAYMENT OF TAX.**

9 “(a) CONDITION PRECEDENT TO CARRYING ON  
10 BUSINESS.—No person shall be engaged in or carry on  
11 any trade or business subject to the occupational tax until  
12 such person has paid such tax.

13 “(b) COMPUTATION.—

14 “(1) IN GENERAL.—The occupational tax shall  
15 be imposed—

16 “(A) as of on the first day of July in each  
17 year, or

18 “(B) on commencing any trade or business  
19 on which such tax is imposed.

20 “(2) PERIOD.—In the case of a tax imposed  
21 under subparagraph (A) of paragraph (1), the occu-  
22 pational tax shall be reckoned for 1 year, and in the  
23 case of subparagraph (B) of such paragraph, it shall  
24 be reckoned proportionately, from the first day of  
25 the month in which the liability to such tax com-

1 menced, to and including the 30th day of June fol-  
2 lowing.

3 “(c) METHOD OF PAYMENT.—

4 “(1) PAYMENT BY RETURN.—The occupational  
5 tax shall be paid on the basis of a return under such  
6 regulations as the Secretary shall prescribe.

7 “(2) STAMP DENOTING PAYMENT OF TAX.—  
8 After receiving a properly executed return and re-  
9 mittance of any occupational tax, the Secretary shall  
10 issue to the taxpayer an appropriate stamp as a re-  
11 ceipt denoting payment of the tax. This paragraph  
12 shall not apply in the case of a return covering li-  
13 ability for a past period.

14 **“SEC. 5913. PROVISIONS RELATING TO LIABILITY FOR OC-  
15 CUPATIONAL TAXES.**

16 “(a) PARTNERS.—Any number of persons doing busi-  
17 ness in partnership at any one place shall be required to  
18 pay a single occupational tax.

19 “(b) DIFFERENT BUSINESSES OF SAME OWNERSHIP  
20 AND LOCATION.—Whenever more than one of the pursuits  
21 or occupations described in this subchapter are carried on  
22 in the same place by the same person at the same time,  
23 except as otherwise provided in this subchapter, the occu-  
24 pational tax shall be paid for each according to the rates  
25 severally prescribed.

1 “(c) BUSINESSES IN MORE THAN ONE LOCATION.—

2 “(1) LIABILITY FOR TAX.—The payment of the  
3 occupational tax shall not exempt from an additional  
4 occupational tax the person carrying on a trade or  
5 business in any other place than that stated in the  
6 records of the Internal Revenue Service.

7 “(2) STORAGE.—Nothing contained in para-  
8 graph (1) shall require imposition of an occupational  
9 tax for the storage of cannabis products at a loca-  
10 tion other than the place where such products are  
11 sold or offered for sale.

12 “(3) PLACE.—

13 “(A) IN GENERAL.—For purposes of this  
14 section, the term ‘place’ means the entire office,  
15 plant or area of the business in any one loca-  
16 tion under the same proprietorship.

17 “(B) DIVISIONS.—For purposes of this  
18 paragraph, any passageways, streets, highways,  
19 rail crossings, waterways, or partitions dividing  
20 the premises shall not be deemed sufficient sep-  
21 aration to require an additional occupational  
22 tax, if the various divisions are otherwise con-  
23 tiguous.

24 “(d) DEATH OR CHANGE OF LOCATION.—

1           “(1) IN GENERAL.—In addition to the person  
2 who has paid the occupational tax for the carrying  
3 on of any business at any place, any person de-  
4 scribed in paragraph (2) may secure the right to  
5 carry on, without incurring any additional occupa-  
6 tional tax, the same business at the same place for  
7 the remainder of the taxable period for which the oc-  
8 cupational tax was paid.

9           “(2) ELIGIBLE PERSONS.—The persons de-  
10 scribed in this paragraph are the following:

11                   “(A) The surviving spouse or child, or ex-  
12 ecutor or administrator or other legal represent-  
13 ative, of a deceased taxpayer.

14                   “(B) A husband or wife succeeding to the  
15 business of his or her living spouse.

16                   “(C) A receiver or trustee in bankruptcy,  
17 or an assignee for benefit of creditors.

18                   “(D) The partner or partners remaining  
19 after death or withdrawal of a member of a  
20 partnership.

21           “(3) CHANGE OF LOCATION.—When any person  
22 moves to any place other than the place for which  
23 occupational tax was paid for the carrying on of any  
24 business, such person may secure the right to carry  
25 on, without incurring additional occupational tax,

1 the same business at the new location for the re-  
2 mainder of the taxable period for which the occupa-  
3 tional tax was paid. To secure the right to carry on  
4 the business without incurring additional occupa-  
5 tional tax, the successor, or the person relocating  
6 their business, must register the succession or relo-  
7 cation with the Secretary in accordance with regula-  
8 tions prescribed by the Secretary.

9 “(e) FEDERAL AGENCIES OR INSTRUMENTAL-  
10 ITIES.—Any tax imposed by this subchapter shall apply  
11 to any agency or instrumentality of the United States un-  
12 less such agency or instrumentality is granted by statute  
13 a specific exemption from such tax.

14 **“SEC. 5914. APPLICATION TO STATE LAWS.**

15 “The payment of any tax imposed by this subchapter  
16 for carrying on any trade or business shall not be held  
17 to—

18 “(1) exempt any person from any penalty or  
19 punishment provided by the laws of any State for  
20 carrying on such trade or business within such  
21 State, or in any manner to authorize the commence-  
22 ment or continuance of such trade or business con-  
23 trary to the laws of such State or in places prohib-  
24 ited by municipal law, or

1           “(2) prohibit any State from placing a duty or  
2 tax on the same trade or business, for State or other  
3 purposes.

#### 4           **“Subchapter C—Bond and Permits**

“Sec. 5921. Establishment and bond.

“Sec. 5922. Application for permit.

“Sec. 5923. Permit.

#### 5           **“SEC. 5921. ESTABLISHMENT AND BOND.**

6           “(a) PROHIBITION ON PRODUCTION OUTSIDE OF  
7 BONDED CANNABIS PRODUCTION FACILITY.—

8           “(1) IN GENERAL.—Except as authorized by  
9 the Secretary or on the bonded premises of a can-  
10 nabis production facility duly authorized to produce  
11 cannabis products according to law, no cannabis  
12 product may planted, cultivated, harvested, grown,  
13 manufactured, produced, compounded, converted,  
14 processed, prepared, or packaged in any building or  
15 on any premises.

16           “(2) AUTHORIZED PRODUCERS ONLY.—No per-  
17 son other than a producer which has filed the bond  
18 required under subsection (b) and received a permit  
19 described in section 5923 may produce any cannabis  
20 product.

21           “(3) PERSONAL USE EXCEPTION.—This sub-  
22 section shall not apply with respect the activities of  
23 an individual who is not treated as a producer by  
24 reason of section 5902(b)(2)(B).

1 “(b) BOND.—

2 “(1) WHEN REQUIRED.—Every person, before  
3 commencing business as a producer or an export  
4 warehouse proprietor, shall file such bond, condi-  
5 tioned upon compliance with this chapter and regu-  
6 lations issued thereunder, in such form, amount, and  
7 manner as the Secretary shall by regulation pre-  
8 scribe. A new or additional bond may be required  
9 whenever the Secretary considers such action nec-  
10 essary for the protection of the revenue.

11 “(2) APPROVAL OR DISAPPROVAL.—No person  
12 shall engage in such business until he receives notice  
13 of approval of such bond. A bond may be dis-  
14 approved, upon notice to the principal on the bond,  
15 if the Secretary determines that the bond is not ade-  
16 quate to protect the revenue.

17 “(3) CANCELLATION.—Any bond filed here-  
18 under may be canceled, upon notice to the principal  
19 on the bond, whenever the Secretary determines that  
20 the bond no longer adequately protects the revenue.

21 **“SEC. 5922. APPLICATION FOR PERMIT.**

22 “(a) IN GENERAL.—Every person, before com-  
23 mencing business as a cannabis enterprise, and at such  
24 other time as the Secretary shall by regulation prescribe,  
25 shall make application for the permit provided for in sec-



1 tion 5923. The application shall be in such form as the  
2 Secretary shall prescribe and shall set forth, truthfully and  
3 accurately, the information called for on the form. Such  
4 application may be rejected and the permit denied if the  
5 Secretary, after notice and opportunity for hearing, finds  
6 that—

7           “(1) the premises on which it is proposed to  
8           conduct the cannabis enterprise are not adequate to  
9           protect the revenue, or

10           “(2) such person (including, in the case of a  
11           corporation, any officer, director, or principal stock-  
12           holder and, in the case of a partnership, a part-  
13           ner)—

14           “(A) is, by reason of their business experi-  
15           ence, financial standing, or trade connections or  
16           by reason of previous or current legal pro-  
17           ceedings involving a felony violation of any  
18           other provision of Federal or State criminal law  
19           relating to cannabis or cannabis products, not  
20           likely to maintain operations in compliance with  
21           this chapter, or

22           “(B) has failed to disclose any material in-  
23           formation required or made any material false  
24           statement in the application therefor.

1 **“SEC. 5923. PERMIT.**

2       “(a) ISSUANCE.—A person shall not engage in busi-  
3 ness as a cannabis enterprise without a permit to engage  
4 in such business. Such permit, conditioned upon compli-  
5 ance with this chapter and regulations issued thereunder,  
6 shall be issued in such form and in such manner as the  
7 Secretary shall by regulation prescribe. A new permit may  
8 be required at such other time as the Secretary shall by  
9 regulation prescribe.

10       “(b) SUSPENSION OR REVOCATION.—

11               “(1) SHOW CAUSE HEARING.—If the Secretary  
12 has reason to believe that any person holding a per-  
13 mit—

14                       “(A) has not in good faith complied with  
15 this chapter, or with any other provision of this  
16 title involving intent to defraud,

17                       “(B) has violated the conditions of such  
18 permit,

19                       “(C) has failed to disclose any material in-  
20 formation required or made any material false  
21 statement in the application for such permit,

22                       “(D) has failed to maintain their premises  
23 in such manner as to protect the revenue, or

24                       “(E) is, by reason of previous or current  
25 legal proceedings involving a felony violation of  
26 any other provision of Federal or State criminal

1 law relating to cannabis, not likely to maintain  
2 operations in compliance with this chapter,  
3 the Secretary shall issue an order, stating the facts  
4 charged, citing such person to show cause why their  
5 permit should not be suspended or revoked.

6 “(2) ACTION FOLLOWING HEARING.—If, after  
7 hearing, the Secretary finds that such person has  
8 not shown cause why their permit should not be sus-  
9 pended or revoked, such permit shall be suspended  
10 for such period as the Secretary deems proper or  
11 shall be revoked.

12 “(c) INFORMATION REPORTING.—The Secretary may  
13 require—

14 “(1) information reporting by any person issued  
15 a permit under this section, and

16 “(2) information reporting by such other per-  
17 sons as the Secretary deems necessary to carry out  
18 this chapter.

19 “(d) INSPECTION OR DISCLOSURE OF INFORMA-  
20 TION.—For rules relating to inspection and disclosure of  
21 returns and return information, see section 6103(o).

## 22 **“Subchapter D—Operations**

“Sec. 5931. Inventories, reports, and records.

“Sec. 5932. Packaging and labeling.

“Sec. 5933. Purchase, receipt, possession, or sale of cannabis products after re-  
removal.

“Sec. 5934. Restrictions relating to marks, labels, notices, and packages.

“Sec. 5935. Restriction on importation of previously exported cannabis prod-  
ucts.

1 **“SEC. 5931. INVENTORIES, REPORTS, AND RECORDS.**

2 “Every cannabis enterprise shall—

3 “(1) make a true and accurate inventory at the  
4 time of commencing business, at the time of con-  
5 cluding business, and at such other times, in such  
6 manner and form, and to include such items, as the  
7 Secretary shall by regulation prescribe, with such in-  
8 ventories to be subject to verification by any internal  
9 revenue officer,

10 “(2) make reports containing such information,  
11 in such form, at such times, and for such periods as  
12 the Secretary shall by regulation prescribe, and

13 “(3) keep such records in such manner as the  
14 Secretary shall by regulation prescribe, with such  
15 records to be available for inspection by any internal  
16 revenue officer during business hours.

17 **“SEC. 5932. PACKAGING AND LABELING.**

18 “(a) PACKAGES.—All cannabis products shall, before  
19 removal, be put up in such packages as the Secretary shall  
20 by regulation prescribe.

21 “(b) MARKS, LABELS, AND NOTICES.—Every pack-  
22 age of cannabis products shall, before removal, bear the  
23 marks, labels, and notices if any, that the Secretary by  
24 regulation prescribes.

25 “(c) LOTTERY FEATURES.—No certificate, coupon,  
26 or other device purporting to be or to represent a ticket,

1 chance, share, or an interest in, or dependent on, the event  
2 of a lottery shall be contained in, attached to, or stamped,  
3 marked, written, or printed on any package of cannabis  
4 products.

5 “(d) INDECENT OR IMMORAL MATERIAL PROHIB-  
6 ITED.—No indecent or immoral picture, print, or rep-  
7 resentation shall be contained in, attached to, or stamped,  
8 marked, written, or printed on any package of cannabis  
9 products.

10 “(e) EXCEPTIONS.—Subject to regulations prescribed  
11 by the Secretary, cannabis products may be exempted  
12 from subsections (a) and (b) if such products are—

13 “(1) for experimental purposes, or

14 “(2) transferred to the bonded premises of an-  
15 other producer or export warehouse proprietor or re-  
16 leased in bond from customs custody for delivery to  
17 a producer.

18 **“SEC. 5933. PURCHASE, RECEIPT, POSSESSION, OR SALE OF**

19 **CANNABIS PRODUCTS AFTER REMOVAL.**

20 “(a) RESTRICTION.—No person shall—

21 “(1) with intent to defraud the United States,  
22 purchase, receive, possess, offer for sale, or sell or  
23 otherwise dispose of, after removal, any cannabis  
24 products—

1           “(A) upon which the tax has not been paid  
2           or determined in the manner and at the time  
3           prescribed by this chapter or regulations there-  
4           under, or

5           “(B) which, after removal without payment  
6           of tax pursuant to section 5904(a), have been  
7           diverted from the applicable purpose or use  
8           specified in that section,

9           “(2) with intent to defraud the United States,  
10          purchase, receive, possess, offer for sale, or sell or  
11          otherwise dispose of, after removal, any cannabis  
12          products which are not put up in packages as re-  
13          quired under section 5932 or which are put up in  
14          packages not bearing the marks, labels, and notices,  
15          as required under such section, or

16          “(3) otherwise than with intent to defraud the  
17          United States, purchase, receive, possess, offer for  
18          sale, or sell or otherwise dispose of, after removal,  
19          any cannabis products which are not put up in pack-  
20          ages as required under section 5932 or which are  
21          put up in packages not bearing the marks, labels,  
22          and notices, as required under such section.

23          “(b) EXCEPTION.—Paragraph (3) of subsection (a)  
24          shall not prevent the sale or delivery of cannabis products

1 directly to consumers from proper packages, nor apply to  
2 such articles when so sold or delivered.

3 “(c) LIABILITY TO TAX.—Any person who possesses  
4 cannabis products in violation of paragraph (1) or (2) of  
5 subsection (a) shall be liable for a tax equal to the tax  
6 on such articles.

7 **“SEC. 5934. RESTRICTIONS RELATING TO MARKS, LABELS,**  
8 **NOTICES, AND PACKAGES.**

9 “No person shall, with intent to defraud the United  
10 States, destroy, obliterate, or detach any mark, label, or  
11 notice prescribed or authorized, by this chapter or regula-  
12 tions thereunder, to appear on, or be affixed to, any pack-  
13 age of cannabis products before such package is emptied.

14 **“SEC. 5935. RESTRICTION ON IMPORTATION OF PRE-**  
15 **VIOUSLY EXPORTED CANNABIS PRODUCTS.**

16 “(a) EXPORT LABELED CANNABIS PRODUCTS.—

17 “(1) IN GENERAL.—Cannabis products pro-  
18 duced in the United States and labeled for expor-  
19 tation under this chapter—

20 “(A) may be transferred to or removed  
21 from the premises of a producer or an export  
22 warehouse proprietor only if such articles are  
23 being transferred or removed without tax in ac-  
24 cordance with section 5904,

1           “(B) may be imported or brought into the  
2           United States, after their exportation, only if  
3           such articles either are eligible to be released  
4           from customs custody with the partial duty ex-  
5           emption provided in section 5904(d) or are re-  
6           turned to the original producer of such article  
7           as provided in section 5904(c), and

8           “(C) may not be sold or held for sale for  
9           domestic consumption in the United States un-  
10          less such articles are removed from their export  
11          packaging and repackaged by the original pro-  
12          ducer into new packaging that does not contain  
13          an export label.

14          “(2) ALTERATIONS BY PERSONS OTHER THAN  
15          ORIGINAL PRODUCER.—This section shall apply to  
16          articles labeled for export even if the packaging or  
17          the appearance of such packaging to the consumer  
18          of such articles has been modified or altered by a  
19          person other than the original producer so as to re-  
20          move or conceal or attempt to remove or conceal (in-  
21          cluding by the placement of a sticker over) any ex-  
22          port label.

23          “(3) EXPORTS INCLUDE SHIPMENTS TO PUER-  
24          TO RICO.—For purposes of this section, section  
25          5904(d), section 5941, and such other provisions as



1 the Secretary may specify by regulations, references  
 2 to exportation shall be treated as including a ref-  
 3 erence to shipment to the Commonwealth of Puerto  
 4 Rico.

5 “(b) EXPORT LABEL.—For purposes of this section,  
 6 an article is labeled for export or contains an export label  
 7 if it bears the mark, label, or notice required under section  
 8 5904(b).

### 9 **“Subchapter E—Penalties**

“Sec. 5941. Civil penalties.

“Sec. 5942. Criminal penalties.

#### 10 **“SEC. 5941. CIVIL PENALTIES.**

11 “(a) OMITTING THINGS REQUIRED OR DOING  
 12 THINGS FORBIDDEN.—Whoever willfully omits, neglects,  
 13 or refuses to comply with any duty imposed upon them  
 14 by this chapter, or to do, or cause to be done, any of the  
 15 things required by this chapter, or does anything prohib-  
 16 ited by this chapter, shall in addition to any other penalty  
 17 provided in this title, be liable to a penalty of \$10,000,  
 18 to be recovered, with costs of suit, in a civil action, except  
 19 where a penalty under subsection (b) or (c) or under sec-  
 20 tion 6651 or 6653 or part II of subchapter A of chapter  
 21 68 may be collected from such person by assessment.

22 “(b) FAILURE TO PAY TAX.—Whoever fails to pay  
 23 any tax imposed by this chapter at the time prescribed  
 24 by law or regulations, shall, in addition to any other pen-

1 alty provided in this title, be liable to a penalty of 10 per-  
2 cent of the tax due but unpaid.

3 “(c) SALE OF CANNABIS OR CANNABIS PRODUCTS  
4 FOR EXPORT.—

5 “(1) Every person who sells, relands, or receives  
6 within the jurisdiction of the United States any can-  
7 nabis products which have been labeled or shipped  
8 for exportation under this chapter,

9 “(2) every person who sells or receives such re-  
10 landed cannabis products, and

11 “(3) every person who aids or abets in such  
12 selling, relanding, or receiving,

13 shall, in addition to the tax and any other penalty provided  
14 in this title, be liable for a penalty equal to the greater  
15 of \$10,000 or 10 times the amount of the tax imposed  
16 by this chapter. All cannabis products relanded within the  
17 jurisdiction of the United States shall be forfeited to the  
18 United States and destroyed. All vessels, vehicles, and air-  
19 craft used in such relanding or in removing such cannabis  
20 products from the place where relanded, shall be forfeited  
21 to the United States.

22 “(d) APPLICABILITY OF SECTION 6665.—The pen-  
23 alties imposed by subsections (b) and (c) shall be assessed,  
24 collected, and paid in the same manner as taxes, as pro-  
25 vided in section 6665(a).

1       “(e) CROSS REFERENCES.—For penalty for failure to  
2 make deposits or for overstatement of deposits, see section  
3 6656.

4 **“SEC. 5942. CRIMINAL PENALTIES.**

5       “(a) FRAUDULENT OFFENSES.—Whoever, with in-  
6 tent to defraud the United States—

7           “(1) engages in business as a cannabis enter-  
8 prise without filing the application and obtaining the  
9 permit where required by this chapter or regulations  
10 thereunder,

11           “(2) fails to keep or make any record, return,  
12 report, or inventory, or keeps or makes any false or  
13 fraudulent record, return, report, or inventory, re-  
14 quired by this chapter or regulations thereunder,

15           “(3) refuses to pay any tax imposed by this  
16 chapter, or attempts in any manner to evade or de-  
17 feat the tax or the payment thereof,

18           “(4) sells or otherwise transfers, contrary to  
19 this chapter or regulations thereunder, any cannabis  
20 products subject to tax under this chapter, or

21           “(5) purchases, receives, or possesses, with in-  
22 tent to redistribute or resell, any cannabis product—

23           “(A) upon which the tax has not been paid  
24 or determined in the manner and at the time

1           prescribed by this chapter or regulations there-  
2           under, or

3                   “(B) which, without payment of tax pursu-  
4           ant to section 5904, have been diverted from  
5           the applicable purpose or use specified in that  
6           section,

7 shall, for each such offense, be fined not more than  
8 \$10,000, or imprisoned not more than 5 years, or both.

9           “(b) LIABILITY TO TAX.—Any person who possesses  
10 cannabis products in violation of subsection (a) shall be  
11 liable for a tax equal to the tax on such articles.”.

12           (c) STUDY.—Not later than 2 years after the date  
13 of the enactment of this Act, and every 5 years thereafter,  
14 the Secretary of the Treasury, or the Secretary’s delegate,  
15 shall—

16                   (1) conduct a study concerning the characteris-  
17           tics of the cannabis industry, including the number  
18           of persons operating cannabis enterprises at each  
19           level of such industry, the volume of sales, the  
20           amount of tax collected each year, and the areas of  
21           evasion, and

22                   (2) submit to Congress recommendations to im-  
23           prove the regulation of the industry and the admin-  
24           istration of the related tax.

1 (d) ANNUAL REPORTS REGARDING DETERMINATION  
2 OF APPLICABLE RATES.—Not later than 6 months before  
3 the beginning of each calendar year to which section  
4 5901(a)(2) of the Internal Revenue Code of 1986 (as  
5 added by this section) applies, the Secretary of the Treas-  
6 ury, or the Secretary’s delegate, shall make publicly avail-  
7 able a detailed description of the methodology which the  
8 Secretary anticipates using to determine the applicable  
9 rate per ounce and the applicable rate per gram which  
10 will apply for such calendar year under section 5901(e)(2)  
11 of such Code.

12 (e) CONFORMING AMENDMENTS.—

13 (1) Section 6103(o)(1)(A) of the Internal Rev-  
14 enue Code of 1986 is amended by striking “and fire-  
15 arms” and inserting “firearms, and cannabis prod-  
16 ucts”.

17 (2) The table of chapters for subtitle E of such  
18 Code is amended by adding at the end the following  
19 new item:

“CHAPTER 56. CANNABIS PRODUCTS”.

20 (3) The table of sections for subchapter A of  
21 chapter 98 of such Code is amended by adding at  
22 the end the following new item:

“Sec. 9512. Opportunity Trust Fund.”.

23 (f) EFFECTIVE DATE.—

1           (1) IN GENERAL.—Except as otherwise pro-  
2           vided in this subsection, the amendments made by  
3           this section shall apply to removals, and applications  
4           for permits under section 5922 of the Internal Rev-  
5           enue Code of 1986 (as added by subsection (b)),  
6           after 180 days after the date of the enactment of  
7           this Act.

8           (2) ESTABLISHMENT OF TRUST FUND.—The  
9           amendment made by subsection (a) shall take effect  
10          on the date of the enactment of this Act.

11 **SEC. 6. OPPORTUNITY TRUST FUND PROGRAMS.**

12          (a) CANNABIS JUSTICE OFFICE; COMMUNITY REIN-  
13          VESTMENT GRANT PROGRAM.—

14               (1) CANNABIS JUSTICE OFFICE.—Part A of  
15               title I of the Omnibus Crime Control and Safe  
16               Streets Act of 1968 (34 U.S.C. 10101 et seq.) is  
17               amended by inserting after section 109 the fol-  
18               lowing:

19 **“SEC. 110. CANNABIS JUSTICE OFFICE.**

20               “(a) ESTABLISHMENT.—There is established within  
21               the Office of Justice Programs a Cannabis Justice Office.

22               “(b) DIRECTOR.—The Cannabis Justice Office shall  
23               be headed by a Director who shall be appointed by the  
24               Assistant Attorney General for the Office of Justice Pro-  
25               grams. The Director shall report to the Assistant Attorney

1 General for the Office of Justice Programs. The Director  
2 shall award grants and may enter into compacts, coopera-  
3 tive agreements, and contracts on behalf of the Cannabis  
4 Justice Office. The Director may not engage in any em-  
5 ployment other than that of serving as the Director, nor  
6 may the Director hold any office in, or act in any capacity  
7 for, any organization, agency, or institution with which the  
8 Office makes any contract or other arrangement.

9 “(c) EMPLOYEES.—

10 “(1) IN GENERAL.—The Director shall employ  
11 as many full-time employees as are needed to carry  
12 out the duties and functions of the Cannabis Justice  
13 Office under subsection (d). Such employees shall be  
14 exclusively assigned to the Cannabis Justice Office.

15 “(2) INITIAL HIRES.—Not later than 6 months  
16 after the date of enactment of this section, the Di-  
17 rector shall—

18 “(A) hire no less than one-third of the  
19 total number of employees of the Cannabis Jus-  
20 tice Office; and

21 “(B) no more than one-half of the employ-  
22 ees assigned to the Cannabis Justice Office by  
23 term appointment that may after 2 years be  
24 converted to career appointment.





- 1           “(1) job training;
- 2           “(2) reentry services;
- 3           “(3) legal aid for civil and criminal cases, in-
- 4           cluding expungement of cannabis convictions;
- 5           “(4) literacy programs;
- 6           “(5) youth recreation or mentoring programs;
- 7           and
- 8           “(6) health education programs.

9           “(b) **SUBSTANCE USE DISORDER SERVICES.**—The

10          Director, in consultation with the Secretary of Health and

11          Human Services, shall provide eligible entities with funds

12          to administer substance use disorder services for individ-

13          uals adversely impacted by the War on Drugs or connect

14          patients with substance use disorder services. Also eligible

15          for such services are individuals who have been arrested

16          for or convicted of the sale, possession, use, manufacture,

17          or cultivation of a controlled substance other than can-

18          nabis (except for a conviction involving distribution to a

19          minor).

20          **“SEC. 3053. FUNDING FROM OPPORTUNITY TRUST FUND.**

21                 “The Director shall carry out the program under this

22          part using funds made available under section 9512(e)(1)

23          and (2) of the Internal Revenue Code.

24          **“SEC. 3054. DEFINITIONS.**

25                 “In this part:

1           “(1) The term ‘cannabis conviction’ means a  
2 conviction, or adjudication of juvenile delinquency,  
3 for a cannabis offense (as such term is defined in  
4 section 13 of the Marijuana Opportunity Reinvest-  
5 ment and Expungement Act of 2020).

6           “(2) The term ‘eligible entity’ means a non-  
7 profit organization, as defined in section 501(c)(3)  
8 of the Internal Revenue Code, that is representative  
9 of a community or a significant segment of a com-  
10 munity with experience in providing relevant services  
11 to individuals adversely impacted by the War on  
12 Drugs in that community.

13           “(3) The term ‘individuals adversely impacted  
14 by the War on Drugs’ has the meaning given that  
15 term in section 6 of the Marijuana Opportunity Re-  
16 investment and Expungement Act of 2020’.”.

17           (b) CANNABIS OPPORTUNITY PROGRAM; EQUITABLE  
18 LICENSING GRANT PROGRAM.—

19           (1) CANNABIS OPPORTUNITY PROGRAM.—The  
20 Administrator of the Small Business Administration  
21 shall establish and carry out a program, to be known  
22 as the “Cannabis Opportunity Program” to provide  
23 any eligible State or locality funds to make loans  
24 under section 7(m) of the Small Business Act (15  
25 U.S.C. 363(m)) to assist small business concerns

1 owned and controlled by socially and economically  
2 disadvantaged individuals, as defined in section  
3 8(d)(3)(C) of the Small Business Act (15 U.S.C.  
4 637(d)(3)(C)) that operate in the cannabis industry.

5 (2) **EQUITABLE LICENSING GRANT PROGRAM.**—

6 The Administrator of the Small Business Adminis-  
7 tration shall establish and carry out a grant pro-  
8 gram, to be known as the “Equitable Licensing  
9 Grant Program”, to provide any eligible State or lo-  
10 cality funds to develop and implement equitable can-  
11 nabis licensing programs that minimize barriers to  
12 cannabis licensing and employment for individuals  
13 adversely impacted by the War on Drugs, provided  
14 that each grantee includes in its cannabis licensing  
15 program at least four of the following:

16 (A) A waiver of cannabis license applica-  
17 tion fees for individuals who have had an in-  
18 come below 250 percent of the Federal Poverty  
19 Level for at least 5 of the past 10 years who  
20 are first-time applicants.

21 (B) A prohibition on the denial of a can-  
22 nabis license based on a conviction for a can-  
23 nabis offense that took place prior to State le-  
24 galization of cannabis or the date of enactment  
25 of this Act, as appropriate.

1 (C) A prohibition on criminal conviction re-  
2 strictions for licensing except with respect to a  
3 conviction related to owning and operating a  
4 business.

5 (D) A prohibition on cannabis license hold-  
6 ers engaging in suspicionless cannabis drug  
7 testing of their prospective or current employ-  
8 ees, except with respect to drug testing for safe-  
9 ty-sensitive positions under part 40 of title 49,  
10 Code of Federal Regulations.

11 (E) The establishment of a cannabis li-  
12 censing board that is reflective of the racial,  
13 ethnic, economic, and gender composition of the  
14 State or locality, to serve as an oversight body  
15 of the equitable licensing program.

16 (3) DEFINITIONS.—In this subsection:

17 (A) The term “individual adversely im-  
18 pacted by the War on Drugs” means an indi-  
19 vidual—

20 (i) who has had an income below 250  
21 percent of the Federal Poverty Level for at  
22 least 5 of the past 10 years; and

23 (ii) has been arrested for or convicted  
24 of the sale, possession, use, manufacture,  
25 or cultivation of cannabis (except for a

1 conviction involving distribution to a  
2 minor), or whose parent, sibling, spouse, or  
3 child has been arrested for or convicted of  
4 such an offense.

5 (B) The term “eligible State or locality”  
6 means a State or locality that has taken steps  
7 to—

8 (i) create an automatic process, at no  
9 cost to the individual, for the  
10 expungement, destruction, or sealing of  
11 criminal records for cannabis offenses; and

12 (ii) eliminate violations or other pen-  
13 alties for persons under parole, probation,  
14 pre-trial, or other State or local criminal  
15 supervision for a cannabis offense.

16 (C) The term “State” means each of the  
17 several States, the District of Columbia, Puerto  
18 Rico, any territory or possession of the United  
19 States, and any Indian Tribe (as defined in sec-  
20 tion 201 of Public Law 90–294 (25 U.S.C.  
21 1301) (commonly known as the “Indian Civil  
22 Rights Act of 1968”).

1 **SEC. 7. AVAILABILITY OF SMALL BUSINESS ADMINISTRA-**  
2 **TION PROGRAMS AND SERVICES TO CAN-**  
3 **NABIS-RELATED LEGITIMATE BUSINESSES**  
4 **AND SERVICE PROVIDERS.**

5 (a) DEFINITIONS RELATING TO CANNABIS-RELATED  
6 LEGITIMATE BUSINESSES AND SERVICE PROVIDERS.—  
7 Section 3 of the Small Business Act (15 U.S.C. 632) is  
8 amended by adding at the end the following new sub-  
9 section:

10 “(ff) CANNABIS-RELATED LEGITIMATE BUSINESSES  
11 AND SERVICE PROVIDERS.—In this Act:

12 “(1) CANNABIS.—The term ‘cannabis’—

13 “(A) means all parts of the plant *Cannabis*  
14 *sativa* L., whether growing or not; the seeds  
15 thereof; the resin extracted from any part of  
16 such plant; and every compound, manufacture,  
17 salt, derivative, mixture, or preparation of such  
18 plant, its seeds or resin; and

19 “(B) does not include—

20 “(i) hemp, as defined in section 297A  
21 of the Agricultural Marketing Act of 1946;

22 “(ii) the mature stalks of such plant,  
23 fiber produced from such stalks, oil or cake  
24 made from the seeds of such plant, any  
25 other compound, manufacture, salt, deriva-  
26 tive, mixture, or preparation of such ma-

1           ture stalks (except the resin extracted  
2           therefrom), fiber, oil, or cake, or the steri-  
3           lized seed of such plant which is incapable  
4           of germination; or

5           “(iii) any drug product approved  
6           under section 505 of the Federal Food,  
7           Drug, and Cosmetic Act, or biological  
8           product licensed under section 351 of the  
9           Public Health Service Act.

10           “(2) CANNABIS-RELATED LEGITIMATE BUSI-  
11           NESS.—The term ‘cannabis-related legitimate busi-  
12           ness’ means a manufacturer, producer, or any per-  
13           son or company that is a small business concern and  
14           that—

15           “(A) engages in any activity described in  
16           subparagraph (B) pursuant to a law established  
17           by a State or a political subdivision of a State,  
18           as determined by such State or political sub-di-  
19           vision; and

20           “(B) participates in any business or orga-  
21           nized activity that involves handling cannabis or  
22           cannabis products, including cultivating, pro-  
23           ducing, manufacturing, selling, transporting,  
24           displaying, dispensing, distributing, or pur-  
25           chasing cannabis or cannabis products.

1           “(3) SERVICE PROVIDER.—The term ‘service  
2 provider’—

3           “(A) means a business, organization, or  
4 other person that—

5           “(i) sells goods or services to a can-  
6 nabis-related legitimate business; or

7           “(ii) provides any business services,  
8 including the sale or lease of real or any  
9 other property, legal or other licensed serv-  
10 ices, or any other ancillary service, relating  
11 to cannabis; and

12           “(B) does not include a business, organiza-  
13 tion, or other person that participates in any  
14 business or organized activity that involves han-  
15 dling cannabis or cannabis products, including  
16 cultivating, producing, manufacturing, selling,  
17 transporting, displaying, dispensing, distrib-  
18 uting, or purchasing cannabis or cannabis prod-  
19 ucts.”.

20           (b) SMALL BUSINESS DEVELOPMENT CENTERS.—

21 Section 21(c) of the Small Business Act (15 U.S.C.  
22 648(c)) is amended by adding at the end the following new  
23 paragraph:

24           “(9) SERVICES FOR CANNABIS-RELATED LE-  
25 GITIMATE BUSINESSES AND SERVICE PROVIDERS.—



1 A small business development center may not decline  
2 to provide services to an otherwise eligible small  
3 business concern under this section solely because  
4 such concern is a cannabis-related legitimate busi-  
5 ness or service provider.”.

6 (c) WOMEN’S BUSINESS CENTERS.—Section 29 of  
7 the Small Business Act (15 U.S.C. 656) is amended by  
8 adding at the end the following new subsection:

9 “(p) SERVICES FOR CANNABIS-RELATED LEGITI-  
10 MATE BUSINESSES AND SERVICE PROVIDERS.—A wom-  
11 en’s business center may not decline to provide services  
12 to an otherwise eligible small business concern under this  
13 section solely because such concern is a cannabis-related  
14 legitimate business or service provider.”.

15 (d) SCORE.—Section 8(b)(1)(B) of the Small Busi-  
16 ness Act (15 U.S.C. 637(b)(1)(B)) is amended by adding  
17 at the end the following new sentence: “The head of the  
18 SCORE program established under this subparagraph  
19 may not decline to provide services to an otherwise eligible  
20 small business concern solely because such concern is a  
21 cannabis-related legitimate business or service provider.”.

22 (e) VETERAN BUSINESS OUTREACH CENTERS.—Sec-  
23 tion 32 of the Small Business Act (15 U.S.C. 657b) is  
24 amended by adding at the end the following new sub-  
25 section:

1       “(h) SERVICES FOR CANNABIS-RELATED LEGITI-  
2 MATE BUSINESSES AND SERVICE PROVIDERS.—A Vet-  
3 eran Business Outreach Center may not decline to provide  
4 services to an otherwise eligible small business concern  
5 under this section solely because such concern is a can-  
6 nabis-related legitimate business or service provider.”.

7       (f) 7(A) LOANS.—Section 7(a) of the Small Business  
8 Act (15 U.S.C. 636(a)) is amended by adding at the end  
9 the following new paragraph:

10           “(37) LOANS TO CANNABIS-RELATED LEGITI-  
11 MATE BUSINESSES AND SERVICE PROVIDERS.—The  
12 Administrator may not decline to provide a guar-  
13 antee for a loan under this subsection to an other-  
14 wise eligible small business concern solely because  
15 such concern is a cannabis-related legitimate busi-  
16 ness or service provider.”.

17       (g) DISASTER LOANS.—Section 7(b) of the Small  
18 Business Act (15 U.S.C. 636(b)) is amended by inserting  
19 after paragraph (15) the following new paragraph:

20           “(16) ASSISTANCE TO CANNABIS-RELATED LE-  
21 GITIMATE BUSINESSES AND SERVICE PROVIDERS.—  
22 The Administrator may not decline to provide assist-  
23 ance under this subsection to an otherwise eligible  
24 borrower solely because such borrower is a cannabis-  
25 related legitimate business or service provider.”.

1 (h) MICROLOANS.—Section 7(m) of the Small Busi-  
2 ness Act (15 U.S.C. 636(m)) is amended by adding at the  
3 end the following new paragraph:

4 “(14) ASSISTANCE TO CANNABIS-RELATED LE-  
5 GITIMATE BUSINESSES AND SERVICE PROVIDERS.—  
6 An eligible intermediary may not decline to provide  
7 assistance under this subsection to an otherwise eli-  
8 gible borrower solely because such borrower is a can-  
9 nabis-related legitimate business or service pro-  
10 vider.”.

11 (i) STATE OR LOCAL DEVELOPMENT COMPANY  
12 LOANS.—Title V of the Small Business Investment Act  
13 of 1958 (15 U.S.C. 695 et seq.) is amended by adding  
14 at the end the following new section:

15 **“SEC. 511. LOANS TO CANNABIS-RELATED LEGITIMATE**  
16 **BUSINESSES AND SERVICE PROVIDERS.**

17 “The Administrator may not decline to provide a  
18 guarantee for a loan under this title to an otherwise eligi-  
19 ble State or local development company solely because  
20 such State or local development company provides financ-  
21 ing to an entity that is a cannabis-related legitimate busi-  
22 ness or service provider (as defined in section 3(ff) of the  
23 Small Business Act).”.

1 **SEC. 8. NO DISCRIMINATION IN THE PROVISION OF A FED-**  
2 **ERAL PUBLIC BENEFIT ON THE BASIS OF**  
3 **CANNABIS.**

4 (a) IN GENERAL.—No person may be denied any  
5 Federal public benefit (as such term is defined in section  
6 401(c) of the Personal Responsibility and Work Oppor-  
7 tunity Reconciliation Act of 1996 (8 U.S.C. 1611(e))) on  
8 the basis of any use or possession of cannabis, or on the  
9 basis of a conviction or adjudication of juvenile delin-  
10 quency for a cannabis offense, by that person.

11 (b) SECURITY CLEARANCES.—Federal agencies may  
12 not use past or present cannabis or marijuana use as cri-  
13 teria for granting, denying, or rescinding a security clear-  
14 ance.

15 **SEC. 9. NO ADVERSE EFFECT FOR PURPOSES OF THE IMMI-**  
16 **GRATION LAWS.**

17 (a) IN GENERAL.—For purposes of the immigration  
18 laws (as such term is defined in section 101 of the Immi-  
19 gration and Nationality Act), cannabis may not be consid-  
20 ered a controlled substance, and an alien may not be de-  
21 nied any benefit or protection under the immigration laws  
22 based on any event, including conduct, a finding, an ad-  
23 mission, addiction or abuse, an arrest, a juvenile adjudica-  
24 tion, or a conviction, relating to cannabis, regardless of  
25 whether the event occurred before, on, or after the effec-  
26 tive date of this Act.

1 (b) CANNABIS DEFINED.—The term “cannabis”—

2 (1) means all parts of the plant *Cannabis sativa*  
3 *L.*, whether growing or not; the seeds thereof; the  
4 resin extracted from any part of such plant; and  
5 every compound, manufacture, salt, derivative, mix-  
6 ture, or preparation of such plant, its seeds or resin;  
7 and

8 (2) does not include—

9 (A) hemp, as defined in section 297A of  
10 the Agricultural Marketing Act of 1946;

11 (B) the mature stalks of such plant, fiber  
12 produced from such stalks, oil or cake made  
13 from the seeds of such plant, any other com-  
14 pound, manufacture, salt, derivative, mixture,  
15 or preparation of such mature stalks (except  
16 the resin extracted therefrom), fiber, oil, or  
17 cake, or the sterilized seed of such plant which  
18 is incapable of germination; or

19 (C) any drug product approved under sec-  
20 tion 505 of the Federal Food, Drug, and Cos-  
21 metic Act, or biological product licensed under  
22 section 351 of the Public Health Service Act.

23 (c) CONFORMING AMENDMENTS TO IMMIGRATION  
24 AND NATIONALITY ACT.—The Immigration and Nation-  
25 ality Act (8 U.S.C. 1101 et seq.) is amended—

1           (1) in section 212(h), by striking “and subpara-  
2           graph (A)(i)(II) of such subsection insofar as it re-  
3           lates to a single offense of simple possession of 30  
4           grams or less of marijuana”;

5           (2) in section 237(a)(2)(B)(i), by striking  
6           “other than a single offense involving possession for  
7           one’s own use of 30 grams or less of marijuana”;

8           (3) in section 101(f)(3), by striking “(except as  
9           such paragraph relates to a single offense of simple  
10          possession of 30 grams or less of marihuana)”;

11          (4) in section 244(c)(2)(A)(iii)(II) by striking  
12          “except for so much of such paragraph as relates to  
13          a single offense of simple possession of 30 grams or  
14          less of marijuana”;

15          (5) in section 245(h)(2)(B) by striking “(except  
16          for so much of such paragraph as related to a single  
17          offense of simple possession of 30 grams or less of  
18          marijuana)”;

19          (6) in section 210(c)(2)(B)(ii)(III) by striking  
20          “, except for so much of such paragraph as relates  
21          to a single offense of simple possession of 30 grams  
22          or less of marihuana”; and

23          (7) in section 245A(d)(2)(B)(ii)(II) by striking  
24          “, except for so much of such paragraph as relates

1 to a single offense of simple possession of 30 grams  
2 or less of marihuana”.

3 **SEC. 10. RESENTENCING AND EXPUNGEMENT.**

4 (a) EXPUNGEMENT OF NON-VIOLENT FEDERAL  
5 CANNABIS OFFENSE CONVICTIONS FOR INDIVIDUALS  
6 NOT UNDER A CRIMINAL JUSTICE SENTENCE.—

7 (1) IN GENERAL.—Not later than 1 year after  
8 the date of the enactment of this Act, each Federal  
9 district shall conduct a comprehensive review and  
10 issue an order expunging each conviction or adju-  
11 dication of juvenile delinquency for a non-violent  
12 Federal cannabis offense entered by each Federal  
13 court in the district before the date of enactment of  
14 this Act and on or after May 1, 1971. Each Federal  
15 court shall also issue an order expunging any arrests  
16 associated with each expunged conviction or adju-  
17 dication of juvenile delinquency.

18 (2) NOTIFICATION.—To the extent practicable,  
19 each Federal district shall notify each individual  
20 whose arrest, conviction, or adjudication of delin-  
21 quency has been expunged pursuant to this sub-  
22 section that their arrest, conviction, or adjudication  
23 of juvenile delinquency has been expunged, and the  
24 effect of such expungement.

1           (3) RIGHT TO PETITION COURT FOR  
2 EXPUNGEMENT.—At any point after the date of en-  
3 actment of this Act, any individual with a prior con-  
4 viction or adjudication of juvenile delinquency for a  
5 non-violent Federal cannabis offense, who is not  
6 under a criminal justice sentence, may file a motion  
7 for expungement. If the expungement of such a con-  
8 viction or adjudication of juvenile delinquency is re-  
9 quired pursuant to this Act, the court shall expunge  
10 the conviction or adjudication, and any associated  
11 arrests. If the individual is indigent, counsel shall be  
12 appointed to represent the individual in any pro-  
13 ceedings under this subsection.

14           (4) SEALED RECORD.—The court shall seal all  
15 records related to a conviction or adjudication of ju-  
16 venile delinquency that has been expunged under  
17 this subsection. Such records may only be made  
18 available by further order of the court.

19           (b) SENTENCING REVIEW FOR INDIVIDUALS UNDER  
20 A CRIMINAL JUSTICE SENTENCE.—

21           (1) IN GENERAL.—For any individual who is  
22 under a criminal justice sentence for a non-violent  
23 Federal cannabis offense, the court that imposed the  
24 sentence shall, on motion of the individual, the Di-  
25 rector of the Bureau of Prisons, the attorney for the



1 Government, or the court, conduct a sentencing re-  
2 view hearing. If the individual is indigent, counsel  
3 shall be appointed to represent the individual in any  
4 sentencing review proceedings under this subsection.

5 (2) POTENTIAL REDUCED RESENTENCING.—

6 After a sentencing hearing under paragraph (1), a  
7 court shall—

8 (A) expunge each conviction or adjudica-  
9 tion of juvenile delinquency for a non-violent  
10 Federal cannabis offense entered by the court  
11 before the date of enactment of this Act, and  
12 any associated arrest;

13 (B) vacate the existing sentence or disposi-  
14 tion of juvenile delinquency and, if applicable,  
15 impose any remaining sentence or disposition of  
16 juvenile delinquency on the individual as if this  
17 Act, and the amendments made by this Act,  
18 were in effect at the time the offense was com-  
19 mitted; and

20 (C) order that all records related to a con-  
21 viction or adjudication of juvenile delinquency  
22 that has been expunged or a sentence or dis-  
23 position of juvenile delinquency that has been  
24 vacated under this Act be sealed and only be  
25 made available by further order of the court.

1 (c) EFFECT OF EXPUNGEMENT.—An individual who  
2 has had an arrest, a conviction, or juvenile delinquency  
3 adjudication expunged under this section—

4 (1) may treat the arrest, conviction, or adju-  
5 dication as if it never occurred; and

6 (2) shall be immune from any civil or criminal  
7 penalties related to perjury, false swearing, or false  
8 statements, for a failure to disclose such arrest, con-  
9 viction, or adjudication.

10 (d) EXCEPTION.—An individual who at sentencing  
11 received an aggravating role adjustment pursuant to  
12 United States Sentencing Guideline 3B1.1(a) in relation  
13 to a Federal cannabis offense conviction shall not be eligi-  
14 ble for expungement of that Federal cannabis offense con-  
15 viction under this section.

16 (e) DEFINITIONS.—In this section:

17 (1) The term “Federal cannabis offense” means  
18 an offense that is no longer punishable pursuant to  
19 this Act or the amendments made under this Act.

20 (2) The term “expunge” means, with respect to  
21 an arrest, a conviction, or a juvenile delinquency ad-  
22 judication, the removal of the record of such arrest,  
23 conviction, or adjudication from each official index  
24 or public record.

1           (3) The term “under a criminal justice sen-  
2           tence” means, with respect to an individual, that the  
3           individual is serving a term of probation, parole, su-  
4           pervised release, imprisonment, official detention,  
5           pre-release custody, or work release, pursuant to a  
6           sentence or disposition of juvenile delinquency im-  
7           posed on or after the effective date of the Controlled  
8           Substances Act (May 1, 1971).

9           (f) STUDY.—The Comptroller General of the United  
10          States, in consultation with the Secretary of Health and  
11          Human Services, shall conduct a demographic study of in-  
12          dividuals convicted of a Federal cannabis offense. Such  
13          study shall include information about the age, race, eth-  
14          nicity, sex, and gender identity of those individuals, the  
15          type of community such users dwell in, and such other  
16          demographic information as the Comptroller General de-  
17          termines should be included.

18          (g) REPORT.—Not later than 2 years after the date  
19          of the enactment of this Act, the Comptroller General of  
20          the United States shall report to Congress the results of  
21          the study conducted under subsection (f).

1 **SEC. 11. REFERENCES IN EXISTING LAW TO MARIJUANA OR**  
2 **MARIHUANA.**

3 Wherever, in the statutes of the United States or in  
4 the rulings, regulations, or interpretations of various ad-  
5 ministrative bureaus and agencies of the United States—

6 (1) there appears or may appear the term  
7 “marihuana” or “marijuana”, that term shall be  
8 struck and the term “cannabis” shall be inserted;  
9 and

10 (2) there appears or may appear the term  
11 “Marihuana” or “Marijuana”, that term shall be  
12 struck and the term “Cannabis” shall be inserted.

13 **SEC. 12. SEVERABILITY.**

14 If any provision of this Act or an amendment made  
15 by this Act, or any application of such provision to any  
16 person or circumstance, is held to be unconstitutional, the  
17 remainder of this Act, the amendments made by this Act,  
18 and the application of this Act and the amendments made  
19 by this Act to any other person or circumstance shall not  
20 be affected.

21 **SEC. 13. CANNABIS OFFENSE DEFINED.**

22 For purposes of this Act, the term “cannabis offense”  
23 means a criminal offense related to cannabis—

24 (1) that, under Federal law, is no longer pun-  
25 ishable pursuant to this Act or the amendments  
26 made under this Act; or

1           (2) that, under State law, is no longer an of-  
2           fense or that was designated a lesser offense or for  
3           which the penalty was reduced under State law pur-  
4           suant to or following the adoption of a State law au-  
5           thorizing the sale or use of cannabis.

6 **SEC. 14. RULEMAKING.**

7           Unless otherwise provided in this Act, not later than  
8 1 year after the date of enactment of this Act, the Depart-  
9 ment of the Treasury, the Department of Justice, and the  
10 Small Business Administration shall issue or amend any  
11 rules, standard operating procedures, and other legal or  
12 policy guidance necessary to carry out implementation of  
13 this Act. After the 1-year period, any publicly issued sub-  
14 regulatory guidance, including any compliance guides,  
15 manuals, advisories and notices, may not be issued with-  
16 out 60-day notice to appropriate congressional commit-  
17 tees. Notice shall include a description and justification  
18 for additional guidance.

19 **SEC. 15. SOCIETAL IMPACT OF MARIJUANA LEGALIZATION**  
20 **STUDY.**

21           The Comptroller General of the United States shall,  
22 not later than 2 years after the date of enactment of this  
23 Act, provide to Congress a study that addresses the soci-  
24 etal impact of the legalization of recreational cannabis by  
25 States, including—

- 1 (1) sick days reported to employers;
- 2 (2) workers compensations claims;
- 3 (3) tax revenue remitted to States resulting
- 4 from legal marijuana sales;
- 5 (4) changes in government spending related to
- 6 enforcement actions and court proceedings;
- 7 (5) Federal welfare assistance applications;
- 8 (6) rate of arrests related to methamphetamine
- 9 possession;
- 10 (7) hospitalization rates related to methamphet-
- 11 amine and narcotics use;
- 12 (8) uses of marijuana and its byproducts for
- 13 medical purposes;
- 14 (9) uses of marijuana and its byproducts for
- 15 purposes relating to the health, including the mental
- 16 health, of veterans;
- 17 (10) arrest rates of individuals driving under
- 18 the influence or driving while intoxicated by mari-
- 19 juana;
- 20 (11) traffic-related deaths and injuries where
- 21 the driver is impaired by marijuana;
- 22 (12) arrest of minors for marijuana-related
- 23 charges;
- 24 (13) violent crime rates;

- 1           (14) school suspensions, expulsions, and law en-  
2           forcement referrals that are marijuana-related;
- 3           (15) high school dropout rates;
- 4           (16) changes in district-wide and State-wide  
5           standardized test scores;
- 6           (17) marijuana-related hospital admissions and  
7           poison control calls;
- 8           (18) marijuana-related juvenile admittances  
9           into substance rehabilitation facilities and mental  
10          health clinics;
- 11          (19) diversion of marijuana into neighboring  
12          States and drug seizures in neighboring States;
- 13          (20) marijuana plants grown on public lands in  
14          contravention to Federal and State laws; and
- 15          (21) court filings under a State's organized  
16          crime statutes.

Passed the House of Representatives December 4,  
2020.

Attest:                    CHERYL L. JOHNSON,  
*Clerk.*