

118TH CONGRESS
2D SESSION

H. RES. 960

Urging action to increase equity within cannabis policy and the legal cannabis marketplace.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 11, 2024

Ms. LEE of California (for herself, Mr. BLUMENAUER, Mr. JOHNSON of Georgia, Ms. NORTON, Mrs. WATSON COLEMAN, Ms. SCHAKOWSKY, Ms. ADAMS, and Mr. MCGOVERN) submitted the following resolution; which was referred to the Committee on Energy and Commerce, and in addition to the Committees on the Judiciary, Education and the Workforce, and Foreign Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

RESOLUTION

Urging action to increase equity within cannabis policy and the legal cannabis marketplace.

Whereas persons and communities continue to be negatively impacted by cannabis policies and marijuana's status as a scheduled substance under the Controlled Substances Act;

Whereas the persons and communities that have been most harmed by marijuana prohibition are benefitting the least from the legal cannabis marketplace and other cannabis policy reforms;

Whereas a legacy of racial and ethnic injustices, compounded by the disproportionate collateral consequences of 80 years of marijuana prohibition and enforcement, now limits access to public benefits, such as nutritional assistance, housing, education and economic opportunities, including participation in the cannabis industry;

Whereas 24 States as well as the District of Columbia and the territories of Puerto Rico, Guam, the Northern Mariana Islands and the U.S. Virgin Islands have legalized cannabis use for adults and 38 now allow some form of medical cannabis;

Whereas the United States cannabis market currently stands at around \$65 billion in annual revenue, and by 2030, this number is expected to balloon to \$100 billion if cannabis is federally legalized;

Whereas the failed war on drugs has cost the United States roughly \$1 trillion, with economists estimating that criminal justice expenditures related to the marijuana prohibition costs States roughly \$6 billion and the Federal Government \$4 billion per year;

Whereas people of color have been historically victimized by discriminatory sentencing practices, resulting in Black men receiving drug sentences that are 13.4 times greater than sentences imposed for White men, and non-White persons accounted for 86.5 percent of cannabis convictions;

Whereas, according to the ACLU, Black people are 3.64 times more likely than White people to be arrested for cannabis possession, even though usage rates are comparable;

Whereas hundreds of thousands of people continue to be arrested every year for cannabis violations, primarily at the State level, and that the Federal placement of cannabis in the Controlled Substances Act is often cited as a reason for States not to legalize cannabis;

Whereas the decriminalization of cannabis possession has proved to reduce the disparity in arrest rates between Black and White men by almost 20 percent, as well as reducing total arrest rates by over 70 percent among adults;

Whereas the criminalization of cannabis results in the detention and subsequent deportation of countless immigrants seeking to build better lives for themselves and their families in the United States;

Whereas, as a noncitizen merely working for a State-licensed marijuana business and otherwise fully compliant with all Federal and State laws can still be deported due to the placement of marijuana in the Controlled Substances Act;

Whereas cannabis policies continue to punish people for personal cannabis use and possession, as well as legal records and consequences associated with cannabis violations;

Whereas non-White ownership of cannabis businesses shrank in 2022 to 15.4 percent from 20.7 percent in 2021;

Whereas cannabis businesses are limited by numerous laws, regulations, taxes, and prohibitive permit applications and licensing fees in these States, which can total more than \$100,000, with annual renewal fees also exceeding \$100,000;

Whereas historically disproportionate arrest and conviction rates make it particularly difficult for people of color to

enter the legal cannabis marketplace, as most States bar these individuals from participating;

Whereas Federal law severely limits access to loans and capital for cannabis businesses, disproportionately impacting minority small business owners;

Whereas the World Health Organization reported that about 2.5 percent of the global population use cannabis, and disparate legal outcomes pertaining to the substance have been replicated in foreign states;

Whereas cannabis and cannabis resin, including extracts and tinctures of cannabis, are classified by the United Nations (UN) as a Schedule I drug under UN drug control treaties such as the Single Convention on Narcotic Drugs;

Whereas the classification of cannabis as a Schedule I drug is outdated and the U.S. should be leading the way on cannabis reform at the multilateral level;

Whereas foreign states such as Canada, Luxembourg, Malta, Thailand, and Uruguay have legalized cannabis for recreational use, and multiple others including Mexico, Georgia, Germany, Ghana, and South Africa have taken steps to legalize cannabis;

Whereas additional foreign states would reevaluate how cannabis is classified in their countries if the United Nations did so; and

Whereas an increasing number of States and municipalities have taken proactive steps to acknowledge and address the harms of cannabis criminalization, advance equity in cannabis policy, and mitigate inequalities in the legal cannabis marketplace: Now, therefore, be it

1 *Resolved,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Realizing Equitable
3 & Sustainable Participation in Emerging Cannabis Trades
4 Resolution” or the “RESPECT Resolution”.

5 **SEC. 2. BEST PRACTICES AND STEPS TO ADVANCE EQUITY**
6 **IN CANNABIS POLICY; ADDRESS DISPARITIES**
7 **IN THE CANNABIS MARKETPLACE PARTICIPA-**
8 **TION; ADDRESS, REVERSE, AND REPAIR CER-**
9 **TAIN EFFECTS OF THE WAR ON DRUGS.**

10 (a) **IN GENERAL.**—The House of Representatives en-
11 courages States and localities to adopt best practices and
12 take bold steps referred to in subsection (b) to advance
13 equity in cannabis policy and address disparities in the
14 cannabis marketplace participation and to address, re-
15 verse, and repair the most egregious effects of the War
16 on Drugs on communities of color, in particular to those
17 who now hold criminal records for a substance that is now
18 legal and regulated.

19 (b) **BEST PRACTICES AND STEPS.**—The practices
20 and steps referred to in this subsection include—

21 (1) eliminating State and local criminal pen-
22 alties for the possession and use of cannabis and en-
23 suring that public benefits cannot be denied to per-
24 sons due to a cannabis conviction;

1 (2) establishing licensing and application fees
2 that are reasonable to cover only the costs of pro-
3 gram implementation and necessary regulations;

4 (3) creating a system where licensing is to be
5 obtained at the city or county level and should be
6 based on regulations determined by the local juris-
7 diction that meet the State’s minimum require-
8 ments, which allows the community to determine the
9 type and number of businesses, avoids arbitrary caps
10 on licenses, and results in an industry more rep-
11 resentative of the local market;

12 (4) in States where license caps are completely
13 unavoidable, establishing local oversight and control
14 of cannabis licenses by allowing local cities and mu-
15 nicipalities to prioritize licenses for local citizens and
16 residents, especially individuals most impacted by
17 the War on Drugs, by taking into account and
18 prioritizing—

19 (A) long-term residency within the State or
20 locality;

21 (B) individuals whose income is less than
22 80 percent of the median household income
23 within a county;

24 (C) individuals who have been formerly in-
25 carcerated;

1 (D) individuals with prior drug law viola-
2 tions;

3 (E) individuals living within a jurisdiction
4 that is heavily policed; and

5 (F) policies and regulations that truly pre-
6 vent large companies and wealthy investors
7 from obtaining significant revenue generated by
8 license holders who have been prioritized for
9 ownership for the reasons described in subpara-
10 graphs (A) through (E) above and for equity-
11 based prioritizations determined by the State;

12 (5) adopting laws and implementing regulations
13 that will allow small cultivators to thrive in the legal
14 market;

15 (6) creating more equitable licensing by—

16 (A) eliminating broad felony restrictions
17 for licensing;

18 (B) focusing restrictions on entering the
19 market to those, determined on a case-by-case
20 basis for both licensees and employees, with
21 criminal convictions that are relevant to the
22 owning and operating of a business; and

23 (C) prohibiting previous cannabis convic-
24 tions from consideration as justification for a
25 denial of a license;

1 (7) creating an automatic process, at no cost
2 for the individual, for the expungement or sealing of
3 criminal records for cannabis offenses that is inclu-
4 sive of individuals currently on parole or under any
5 probationary agreement, for cannabis offenses, and
6 provides notification and certification of the
7 expungement or sealing;

8 (8) establishing a process for resentencing per-
9 sons serving sentences for cannabis convictions and
10 redesignating of penalties for persons previously con-
11 victed of cannabis-related crimes for which the pen-
12 alties have been reduced or removed;

13 (9) eliminating suspicion-less drug testing for
14 non safety-sensitive employment positions;

15 (10) eliminating punishment or other penaliza-
16 tion for persons currently under parole, probation,
17 or other State supervision, or released on bail await-
18 ing trial, for conduct otherwise allowed under State
19 cannabis laws, and allowing the medical use of can-
20 nabis by incarcerated person if recommended by
21 their physician;

22 (11) setting aside a percentage of the tax rev-
23 enue from cannabis sales to be reinvested in commu-
24 nities that have been most affected by cannabis ar-
25 rests and the drug war, which most frequently have

1 been communities of color, including programs for
2 job training, reentry services, expungement expenses,
3 public libraries, community centers, programs and
4 opportunities dedicated to youth, and health edu-
5 cation programs;

6 (12) using a percentage of tax revenue to estab-
7 lish a special fund to provide small business invest-
8 ments to support people of color entering into the
9 legal cannabis industry;

10 (13) establishing cannabis regulatory and over-
11 sight bodies and commissions that reflect the racial,
12 ethnic, economic, and gender makeup of the sur-
13 rounding community;

14 (14) creating employment and subcontracting
15 requirements for cannabis licensees in order to use
16 the ancillary business activity generated by the can-
17 nabis industry to employ people of color; and

18 (15) including provisions designating spaces for
19 public consumption, either by the licensing of social
20 entities or by creating these spaces.

21 **SEC. 3. DESCHEDULING CANNABIS GLOBALLY.**

22 It is the sense of the House of Representatives that
23 the President should direct the U.S. Mission to the United
24 Nations and the Commission on Narcotic Drugs to seek
25 to deschedule cannabis from the international drug control

- 1 treaties, expunge and forgive legal penalties relating to
- 2 certain low-level marijuana offenses, and treat cannabis
- 3 as a legal commodity.

