

116TH CONGRESS  
1ST SESSION

# S. 2227

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.

---

## IN THE SENATE OF THE UNITED STATES

JULY 23, 2019

Ms. HARRIS (for herself, Mr. BOOKER, Mr. MERKLEY, Mr. WYDEN, and Ms. WARREN) introduced the following bill; which was read twice and referred to the Committee on Finance

---

## A BILL

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,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Marijuana Opportunity  
5       Reinvestment and Expungement Act of 2019” or the  
6       “MORE Act of 2019”.

1 **SEC. 2. DECRIMINALIZATION OF CANNABIS.**

2 (a) CANNABIS REMOVED FROM SCHEDULE OF CON-  
3 TROLLED SUBSTANCES.—

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

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

8 (B) by striking “(17)  
9 Tetrahydrocannabinols, except for  
10 tetrahydrocannabinols in hemp (as defined in  
11 section 297A of the Agricultural Marketing Act  
12 of 1946).”.

13 (2) REMOVAL FROM SCHEDULE.—Not later  
14 than 180 days after the date of the enactment of  
15 this Act, the Attorney General shall finalize a rule-  
16 making under section 201(a)(2) removing mari-  
17 huana and tetrahydrocannabinols from the schedules  
18 of controlled substances. Marihuana and  
19 tetrahydrocannabinols shall each be deemed to be a  
20 drug or other substance that does not meet the re-  
21 quirements for inclusion in any schedule. A rule-  
22 making under this paragraph shall be considered to  
23 have taken effect as of the date of enactment of this  
24 Act for purposes of any offense committed, case  
25 pending, conviction entered, and, in the case of a ju-  
26 venile, any offense committed, case pending, and ad-

1       judication of juvenile delinquency entered before, on,  
2       or after the date of enactment of this Act.

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

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

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

9                       (A) in paragraph (1)—

10                               (i) in subparagraph (A)—

11                                       (I) in clause (vi), by inserting  
12                               “or” after the semicolon;

13                                       (II) by striking clause (vii); and

14                                       (III) by redesignating clause  
15                               (viii) as clause (vii);

16                               (ii) in subparagraph (B)—

17                                       (I) in clause (vi), by inserting  
18                               “or” after the semicolon;

19                                       (II) by striking clause (vii); and

20                                       (III) by redesignating clause  
21                               (viii) as clause (vii);

22                               (iii) in subparagraph (C), in the first  
23       sentence, by striking “subparagraphs (A),  
24       (B), and (D)” and inserting “subpara-  
25       graphs (A) and (B)”;

- 1 (iv) by striking subparagraph (D);
- 2 (v) by redesignating subparagraph (E)
- 3 as subparagraph (D); and
- 4 (vi) in subparagraph (D)(i), as so re-
- 5 designated, by striking “subparagraphs (C)
- 6 and (D)” and inserting “subparagraph
- 7 (C)”;
- 8 (B) by striking paragraph (4); and
- 9 (C) by redesignating paragraphs (5), (6),
- 10 and (7) as paragraphs (4), (5), and (6), respec-
- 11 tively;
- 12 (3) in section 402(c)(2)(B) (21 U.S.C.
- 13 842(c)(2)(B)), by striking “, marihuana,”;
- 14 (4) in section 403(d)(1) (21 U.S.C. 843(d)(1)),
- 15 by striking “, marihuana,”;
- 16 (5) in section 418(a) (21 U.S.C. 859(a)), by
- 17 striking the last sentence;
- 18 (6) in section 419(a) (21 U.S.C. 860(a)), by
- 19 striking the last sentence;
- 20 (7) in section 422(d) (21 U.S.C. 863(d))—
- 21 (A) in the matter preceding paragraph (1),
- 22 by striking “marijuana,”; and
- 23 (B) in paragraph (5), by striking “, such
- 24 as a marihuana cigarette,”; and

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

(c) OTHER CONFORMING AMENDMENTS.—

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

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

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

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

(2) INTERCEPTION OF COMMUNICATIONS.—Section 2516 of title 18, United States Code, is amended—

(A) in subsection (1)(e), by striking “marijuana,”; and

(B) in subsection (2) by striking “marijuana”.

(d) RETROACTIVITY.—The amendments made by this section to the Controlled Substances Act (21 U.S.C. 801 et seq.) are retroactive and shall apply to any offense com-

mitted, case pending, conviction entered, and, in the case of a juvenile, any offense committed, case pending, or adjudication of juvenile delinquency entered before, on, or after the date of enactment of this Act.

**SEC. 3. DEMOGRAPHIC DATA OF CANNABIS BUSINESS OWNERS AND EMPLOYEES.**

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

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

(2) individuals who are employed in the cannabis industry.

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

(1) age;

(2) certifications and licenses;

(3) disability status;

(4) educational attainment;

(5) family and marital status;

(6) nativity;

(7) race and Hispanic ethnicity;

(8) school enrollment;

(9) veteran status; and

(10) sex.

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

5 (d) DEFINITIONS.—In this section:

6 (1) CANNABIS.—The term “cannabis” means  
 7 either marijuana or cannabis as defined under the  
 8 State law authorizing the sale or use of cannabis in  
 9 which the individual or entity is located.

10 (2) CANNABIS INDUSTRY.—The term “cannabis  
 11 industry” means an individual or entity that is li-  
 12 censed or permitted under a State or local law to en-  
 13 gage in commercial cannabis-related activity.

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

18 **SEC. 4. CREATION OF OPPORTUNITY TRUST FUND AND IM-**  
 19 **POSITION OF TAX ON CANNABIS PRODUCTS.**

20 (a) TRUST FUND.—

21 (1) ESTABLISHMENT.—Subchapter A of chap-  
 22 ter 98 of the Internal Revenue Code of 1986 is  
 23 amended by adding at the end the following new sec-  
 24 tion:

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

2       “(a) CREATION OF TRUST FUND.—There is estab-  
 3 lished in the Treasury of the United States a trust fund  
 4 to be known as the ‘Opportunity Trust Fund’ (referred  
 5 to in this section as the ‘Trust Fund’), consisting of such  
 6 amounts as may be appropriated or credited to such fund  
 7 as provided in this section or section 9602(b).

8       “(b) TRANSFERS TO TRUST FUND.—There are here-  
 9 by appropriated to the Trust Fund amounts equivalent to  
 10 the net revenues received in the Treasury from the tax  
 11 imposed by section 5701(h).

12       “(c) EXPENDITURES.—Amounts in the Trust Fund  
 13 shall be available, without further appropriation, only as  
 14 follows:

15               “(1) 50 percent to the Attorney General to  
 16 carry out section 3052(a) of part OO of the Omni-  
 17 bus Crime Control and Safe Streets Act of 1968.

18               “(2) 10 percent to the Attorney General to  
 19 carry out section 3052(b) of part OO of the Omni-  
 20 bus Crime Control and Safe Streets Act of 1968.

21               “(3) 20 percent to the Administrator of the  
 22 Small Business Administration to carry out section  
 23 5(b)(1) of the Marijuana Opportunity Reinvestment  
 24 and Expungement Act of 2019.

25               “(4) 20 percent to the Administrator of the  
 26 Small Business Administration to carry out section



1       5(b)(2) of the Marijuana Opportunity Reinvestment  
2       and Expungement Act of 2019.”.

3               (2) CLERICAL AMENDMENT.—The table of sec-  
4       tions for subchapter A of chapter 98 of such Code  
5       is amended by adding at the end the following new  
6       item:

“Sec. 9512. Opportunity trust fund.”.

7       (b) IMPOSITION OF TAX.—

8               (1) IN GENERAL.—Section 5701 of the Internal  
9       Revenue Code of 1986 is amended by redesignating  
10      subsection (h) as subsection (i) and by inserting  
11      after subsection (g) the following new subsection:

12      “(h) CANNABIS PRODUCTS.—On cannabis products,  
13      manufactured in or imported into the United States, there  
14      shall be imposed a tax equal to 5 percent of the price for  
15      which sold.”.

16              (2) CANNABIS PRODUCT DEFINED.—Section  
17      5702 of such Code is amended by adding at the end  
18      the following new subsection:

19      “(q) CANNABIS PRODUCT.—

20              “(1) IN GENERAL.—Except as provided in para-  
21      graph (2), the term ‘cannabis product’ means any  
22      cannabis or any article which contains cannabis or  
23      any derivative thereof.

24              “(2) EXCEPTION.—The term ‘cannabis product’  
25      shall not include any medicine or drug that is a pre-

scribed drug (as such term is defined in section  
213(d)(3)).

“(3) CANNABIS.—The term ‘cannabis’—

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

“(B) does not include—

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

“(ii) the mature stalks of such plant, fiber produced from such stalks, oil or cake made from the seeds of such plant, any other compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of such plant which is incapable of germination.”.

(3) CANNABIS PRODUCTS TREATED AS TOBACCO PRODUCTS.—Section 5702(c) of such Code is amended by striking “and roll-your-own tobacco”

1 and inserting “roll-your-own tobacco, and cannabis  
2 products”.

3 (4) MANUFACTURER OF CANNABIS PRODUCTS  
4 TREATED AS MANUFACTURER OF TOBACCO PROD-  
5 UCTS.—Section 5702 of such Code is amended by  
6 adding at the end the following new subsection:

7 “(r) MANUFACTURER OF CANNABIS PRODUCTS.—

8 “(1) IN GENERAL.—Any person who plants,  
9 cultivates, harvests, produces, manufactures, com-  
10 pounds, converts, processes, prepares, or packages  
11 any cannabis product shall be treated as a manufac-  
12 turer of cannabis products (and as manufacturing  
13 such cannabis product).

14 “(2) EXCEPTION.—Paragraph (1) shall not  
15 apply with respect to any cannabis product which is  
16 for such person’s own personal consumption or use.

17 “(3) APPLICATION OF RULES RELATED TO  
18 MANUFACTURERS OF TOBACCO PRODUCTS.—Any  
19 reference to a manufacturer of tobacco products, or  
20 to manufacturing tobacco products, shall be treated  
21 as including a reference to a manufacturer of can-  
22 nabis products, or to manufacturing cannabis prod-  
23 ucts, respectively.”.

1           (5) APPLICATION OF CERTAIN RULES FOR DE-  
 2           TERMINING PRICE.—Section 5702(l) of such Code is  
 3           amended—

4                   (A) by striking “section 5701(a)(2)” and  
 5                   inserting “subsections (a)(2) and (h) of section  
 6                   5701”; and

7                   (B) by inserting “AND CANNABIS PROD-  
 8                   UCTS” after “CIGARS” in the heading thereof.

9           (6) CONFORMING AMENDMENT.—Section  
 10          5702(j) of such Code is amended by adding at the  
 11          end the following new sentence: “In the case of a  
 12          cannabis product, the previous sentence shall be ap-  
 13          plied by substituting ‘from a facility of a manufac-  
 14          turer required to file a bond under section 5711’ for  
 15          ‘from the factory or from internal revenue bond  
 16          under section 5704’.”.

17          (c) EFFECTIVE DATE.—

18                   (1) IN GENERAL.—Except as otherwise pro-  
 19                   vided in this subsection, the amendments made by  
 20                   this section shall apply to articles manufactured or  
 21                   imported in calendar quarters beginning more than  
 22                   one year after the date of the enactment of this Act.

23                   (2) TRUST FUND.—The amendments made by  
 24                   subsection (a) shall take effect on the date of the en-  
 25                   actment of this Act.

1 **SEC. 5. OPPORTUNITY TRUST FUND PROGRAMS.**

2 (a) CANNABIS JUSTICE OFFICE; COMMUNITY REIN-  
3 VESTMENT GRANT PROGRAM.—

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

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

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

12 “(b) DIRECTOR.—The Cannabis Justice Office shall  
13 be headed by a Director who shall be appointed by the  
14 Assistant Attorney General for the Office of Justice Pro-  
15 grams. The Director shall report to the Assistant Attorney  
16 General for the Office of Justice Programs. The Director  
17 shall award grants and may enter into compacts, coopera-  
18 tive agreements, and contracts on behalf of the Cannabis  
19 Justice Office. The Director may not engage in any em-  
20 ployment other than that of serving as the Director, nor  
21 may the Director hold any office in, or act in any capacity  
22 for, any organization, agency, or institution with which the  
23 Office makes any contract or other arrangement.

24 “(c) EMPLOYEES.—

25 “(1) IN GENERAL.—The Director shall employ  
26 as many full-time employees as are needed to carry

1 out the duties and functions of the Cannabis Justice  
2 Office under subsection (d). Such employees shall be  
3 exclusively assigned to the Cannabis Justice Office.

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

7 “(A) hire no less than one-third of the  
8 total number of employees of the Cannabis Jus-  
9 tice Office; and

10 “(B) no more than one-half of the employ-  
11 ees assigned to the Cannabis Justice Office by  
12 term appointment that may after 2 years be  
13 converted to career appointment.

14 “(3) LEGAL COUNSEL.—At least one employee  
15 hired for the Cannabis Justice Office shall serve as  
16 legal counsel to the Director and shall provide coun-  
17 sel to the Cannabis Justice Office.

18 “(d) DUTIES AND FUNCTIONS.—The Cannabis Jus-  
19 tice Office is authorized to—

20 “(1) administer the Community Reinvestment  
21 Grant Program; and

22 “(2) perform such other functions as the Assist-  
23 ant Attorney General for the Office of Justice Pro-  
24 grams may delegate, that are consistent with the  
25 statutory obligations of this section.”.

1           (2) COMMUNITY REINVESTMENT GRANT PRO-  
 2           GRAM.—Title I of the Omnibus Crime Control and  
 3           Safe Streets Act of 1968 (34 U.S.C. et seq.) is  
 4           amended by adding at the end the following:

5   **“PART OO—COMMUNITY REINVESTMENT GRANT**  
 6                                   **PROGRAM**

7   **“SEC. 3052. AUTHORIZATION.**

8           “(a) IN GENERAL.—The Director of the Cannabis  
 9   Justice Office shall establish and carry out a grant pro-  
 10   gram, known as the ‘Community Reinvestment Grant Pro-  
 11   gram’, to provide eligible entities with funds to administer  
 12   services for individuals most adversely impacted by the  
 13   War on Drugs, including—

14           “(1) job training;

15           “(2) reentry services;

16           “(3) legal aid for civil and criminal cases, in-  
 17   cluding expungement of cannabis convictions;

18           “(4) literacy programs;

19           “(5) youth recreation or mentoring programs;

20           and

21           “(6) health education programs.

22           “(b) SUBSTANCE USE TREATMENT SERVICES.—The  
 23   Community Reinvestment Grant Program established in  
 24   subsection (a) shall provide eligible entities with funds to

1 administer substance use treatment services for individ-  
 2 uals most adversely impacted by the War on Drugs.

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

4 “The Director shall carry out the program under this  
 5 part using funds made available under section 9512(c)(1)  
 6 and (2) of the Internal Revenue Code.

7 **“SEC. 3054. DEFINITIONS.**

8 “In this part:

9 “(1) The term ‘cannabis conviction’ means a  
 10 conviction, or adjudication of juvenile delinquency,  
 11 for a cannabis offense (as such term is defined in  
 12 section 12(2) of the Marijuana Opportunity Rein-  
 13 vestment and Expungement Act of 2019).

14 “(2) The term ‘substance use treatment’ means  
 15 an evidence-based, professionally directed, deliberate,  
 16 and planned regimen including evaluation, observa-  
 17 tion, medical monitoring, harm reduction, and reha-  
 18 bilitative services and interventions such as  
 19 pharmacotherapy, mental health services, and indi-  
 20 vidual and group counseling, on an inpatient or out-  
 21 patient basis, to help patients with substance use  
 22 disorder reach remission and maintain recovery.

23 “(3) The term ‘eligible entity’ means a non-  
 24 profit organization, as defined in section 501(c)(3)  
 25 of the Internal Revenue Code, that is representative



1 of a community or a significant segment of a com-  
 2 munity with experience in providing relevant services  
 3 to individuals most adversely impacted by the War  
 4 on Drugs in that community.

5 “(4) The term ‘individuals most adversely im-  
 6 pacted by the War on Drugs’ has the meaning given  
 7 that term in section 5 of the Marijuana Opportunity  
 8 Reinvestment and Expungement Act of 2019.”.

9 (b) CANNABIS OPPORTUNITY PROGRAM; EQUITABLE  
 10 LICENSING GRANT PROGRAM.—

11 (1) CANNABIS OPPORTUNITY PROGRAM.—The  
 12 Administrator of the Small Business Administration  
 13 shall establish and carry out a program, to be known  
 14 as the “Cannabis Opportunity Program” to provide  
 15 any eligible State or locality funds to make loans  
 16 under section 7(m) of the Small Business Act (15  
 17 U.S.C. 363(m)) to assist small business concerns  
 18 owned and controlled by socially and economically  
 19 disadvantaged individuals, as defined in section  
 20 8(d)(3)(C) of the Small Business Act (15 U.S.C.  
 21 637(d)(3)(C)) that operate in the cannabis industry.

22 (2) EQUITABLE LICENSING GRANT PROGRAM.—  
 23 The Administrator of the Small Business Adminis-  
 24 tration shall establish and carry out a grant pro-  
 25 gram, to be known as the “Equitable Licensing

1 Grant Program”, to provide any eligible State of lo-  
2 cality funds to develop and implement equitable can-  
3 nabis licensing programs that minimize barriers to  
4 cannabis licensing and employment for individuals  
5 most adversely impacted by the War on Drugs, pro-  
6 vided that each grantee includes in its cannabis li-  
7 censing program at least four of the following:

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

13 (B) A prohibition on the denial of a can-  
14 nabis license based on a conviction for a can-  
15 nabis offense that took place prior to State le-  
16 galization of cannabis or the date of enactment  
17 of this Act, as appropriate.

18 (C) A prohibition on criminal conviction re-  
19 strictions for licensing except with respect to a  
20 conviction related to owning and operating a  
21 business.

22 (D) A prohibition on cannabis license hold-  
23 ers engaging in suspicionless cannabis drug  
24 testing of their prospective or current employ-  
25 ees, except with respect to drug testing for safe-

1           ty-sensitive positions, as defined under the Om-  
 2           nibus Transportation Testing Act of 1991.

3           (E) The establishment of a cannabis li-  
 4           censing board that is reflective of the racial,  
 5           ethnic, economic, and gender composition of the  
 6           State or locality, to serve as an oversight body  
 7           of the equitable licensing program.

8           (3) DEFINITIONS.—In this subsection:

9           (A) The term “individual most adversely  
 10          impacted by the War on Drugs” means an indi-  
 11          vidual—

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

15                   (ii) has been arrested for or convicted  
 16                   of the sale, possession, use, manufacture,  
 17                   or cultivation of cannabis or a controlled  
 18                   substance (except for a conviction involving  
 19                   distribution to a minor), or whose parent,  
 20                   sibling, spouse, or child has been arrested  
 21                   for or convicted of such an offense.

22           (B) The term “eligible State or locality”  
 23           means a State or locality that has taken steps  
 24           to—

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

(ii) eliminate violations or other penalties for persons under parole, probation, pre-trial, or other State or local criminal supervision for a cannabis offense.

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

**SEC. 6. AVAILABILITY OF SMALL BUSINESS ADMINISTRATION PROGRAMS AND SERVICES TO CANNABIS-RELATED LEGITIMATE BUSINESSES AND SERVICE PROVIDERS.**

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

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

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

4                       “(A) means all parts of the plant Cannabis  
5 sativa L., whether growing or not; the seeds  
6 thereof; the resin extracted from any part of  
7 such plant; and every compound, manufacture,  
8 salt, derivative, mixture, or preparation of such  
9 plant, its seeds or resin; and

10                      “(B) does not include—

11                               “(i) hemp, as defined in section 297A  
12 of the Agricultural Marketing Act of 1946;  
13 or

14                               “(ii) the mature stalks of such plant,  
15 fiber produced from such stalks, oil or cake  
16 made from the seeds of such plant, any  
17 other compound, manufacture, salt, deriva-  
18 tive, mixture, or preparation of such ma-  
19 ture stalks (except the resin extracted  
20 therefrom), fiber, oil, or cake, or the steri-  
21 lized seed of such plant which is incapable  
22 of germination.

23               “(2) CANNABIS-RELATED LEGITIMATE BUSI-  
24 NESS.—The term ‘cannabis-related legitimate busi-  
25 ness’ means a manufacturer, producer, or any per-

1 son or company that is a small business concern and  
2 that—

3 “(A) engages in any activity described in  
4 subparagraph (B) pursuant to a law established  
5 by a State or a political subdivision of a State,  
6 as determined by such State or political sub-di-  
7 vision; and

8 “(B) participates in any business or orga-  
9 nized activity that involves handling cannabis or  
10 cannabis products, including cultivating, pro-  
11 ducing, manufacturing, selling, transporting,  
12 displaying, dispensing, distributing, or pur-  
13 chasing cannabis or cannabis products.

14 “(3) SERVICE PROVIDER.—The term ‘service  
15 provider’—

16 “(A) means a business, organization, or  
17 other person that—

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

20 “(ii) provides any business services,  
21 including the sale or lease of real or any  
22 other property, legal or other licensed serv-  
23 ices, or any other ancillary service, relating  
24 to cannabis; and

1           “(B) does not include a business, organiza-  
 2           tion, or other person that participates in any  
 3           business or organized activity that involves han-  
 4           dling cannabis or cannabis products, including  
 5           cultivating, producing, manufacturing, selling,  
 6           transporting, displaying, dispensing, distrib-  
 7           uting, or purchasing cannabis or cannabis prod-  
 8           ucts.”.

9           (b) SMALL BUSINESS DEVELOPMENT CENTERS.—  
 10          Section 21(c) of the Small Business Act (15 U.S.C.  
 11          648(c)) is amended by adding at the end the following new  
 12          paragraph:

13           “(9) SERVICES FOR CANNABIS-RELATED LE-  
 14           GITIMATE BUSINESSES AND SERVICE PROVIDERS.—  
 15           A small business development center may not decline  
 16           to provide services to an otherwise eligible small  
 17           business concern under this section solely because  
 18           such concern is a cannabis-related legitimate busi-  
 19           ness or service provider.”.

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

23           “(p) SERVICES FOR CANNABIS-RELATED LEGITI-  
 24           MATE BUSINESSES AND SERVICE PROVIDERS.—A wom-  
 25           en’s business center may not decline to provide services

1 to an otherwise eligible small business concern under this  
2 section solely because such concern is a cannabis-related  
3 legitimate business or service provider.”.

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

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

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

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

24 “(36) LOANS TO CANNABIS-RELATED LEGITI-  
25 MATE BUSINESSES AND SERVICE PROVIDERS.—The



1 Administrator may not decline to provide a guar-  
2 antee for a loan under this subsection to an other-  
3 wise eligible small business concern solely because  
4 such concern is a cannabis-related legitimate busi-  
5 ness or service provider.”.

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

9 “(16) ASSISTANCE TO CANNABIS-RELATED LE-  
10 GITIMATE BUSINESSES AND SERVICE PROVIDERS.—  
11 The Administrator may not decline to provide assist-  
12 ance under this subsection to an otherwise eligible  
13 borrower solely because such borrower is a cannabis-  
14 related legitimate business or service provider.”.

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

18 “(14) ASSISTANCE TO CANNABIS-RELATED LE-  
19 GITIMATE BUSINESSES AND SERVICE PROVIDERS.—  
20 An eligible intermediary may not decline to provide  
21 assistance under this subsection to an otherwise eli-  
22 gible borrower solely because such borrower is a can-  
23 nabis-related legitimate business or service pro-  
24 vider.”.

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

5 **“SEC. 511. LOANS TO CANNABIS-RELATED LEGITIMATE**  
 6 **BUSINESSES AND SERVICE PROVIDERS.**

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

14 **SEC. 7. NO DISCRIMINATION IN THE PROVISION OF A FED-**  
 15 **ERAL PUBLIC BENEFIT ON THE BASIS OF**  
 16 **CANNABIS.**

17 (a) IN GENERAL.—No person may be denied any  
 18 Federal public benefit (as such term is defined in section  
 19 401(c) of the Personal Responsibility and Work Oppor-  
 20 tunity Reconciliation Act of 1996 (8 U.S.C. 1611(c))) on  
 21 the basis of any use or possession of cannabis, or on the  
 22 basis of a conviction or adjudication of juvenile delin-  
 23 quency for a cannabis offense, by that person.

24 (b) SECURITY CLEARANCES.—Federal agencies may  
 25 not use past or present cannabis or marijuana use as cri-

1   teria for granting, denying, or rescinding a security clear-  
 2   ance.

3   **SEC. 8. NO ADVERSE EFFECT FOR PURPOSES OF THE IMMI-**  
 4                   **GRATION LAWS.**

5           (a) IN GENERAL.—For purposes of the immigration  
 6   laws (as such term is defined in section 101 of the Immi-  
 7   gration and Nationality Act), cannabis may not be consid-  
 8   ered a controlled substance, and an alien may not be de-  
 9   nied any benefit or protection under the immigration laws  
 10   based on any event, including conduct, a finding, an ad-  
 11   mission, addiction or abuse, an arrest, a juvenile adjudica-  
 12   tion, or a conviction, relating to cannabis, regardless of  
 13   whether the event occurred before, on, or after the effec-  
 14   tive date of this Act.

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

16               (1) means all parts of the plant *Cannabis sativa*  
 17       L., whether growing or not; the seeds thereof; the  
 18       resin extracted from any part of such plant; and  
 19       every compound, manufacture, salt, derivative, mix-  
 20       ture, or preparation of such plant, its seeds or resin;  
 21       and

22               (2) does not include—

23                       (A) hemp, as defined in section 297A of  
 24       the Agricultural Marketing Act of 1946; or

(B) the mature stalks of such plant, fiber produced from such stalks, oil or cake made from the seeds of such plant, any other compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of such plant which is incapable of germination.

(c) CONFORMING AMENDMENTS TO IMMIGRATION AND NATIONALITY ACT.—The Immigration and Nationality Act (8 U.S.C. 1101 et seq.) is amended—

(1) in section 212(h), by striking “and subparagraph (A)(i)(II) of such subsection insofar as it relates to a single offense of simple possession of 30 grams or less of marijuana”;

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

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

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

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

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

9 (7) in section 245A(d)(2)(B)(ii)(II) by striking  
 10 “, except for so much of such paragraph as relates  
 11 to a single offense of simple possession of 30 grams  
 12 or less of marihuana”.

13 **SEC. 9. RESENTENCING AND EXPUNGEMENT.**

14 (a) **EXPUNGEMENT OF FEDERAL CANNABIS OF-**  
 15 **FENSE CONVICTIONS FOR INDIVIDUALS NOT UNDER A**  
 16 **CRIMINAL JUSTICE SENTENCE.—**

17 (1) **IN GENERAL.**—Not later than 1 year after  
 18 the date of the enactment of this Act, each Federal  
 19 district shall conduct a comprehensive review and  
 20 issue an order expunging each conviction or adju-  
 21 dication of juvenile delinquency for a Federal can-  
 22 nabis offense entered by each Federal court in the  
 23 district before the date of enactment of this Act and  
 24 on or after May 1, 1971. Each Federal court shall  
 25 also issue an order expunging any arrests associated

1 with each expunged conviction or adjudication of ju-  
2 venile delinquency.

3 (2) NOTIFICATION.—To the extent practicable,  
4 each Federal district shall notify each individual  
5 whose arrest, conviction, or adjudication of delin-  
6 quency has been expunged pursuant to this sub-  
7 section that their arrest, conviction, or adjudication  
8 of juvenile delinquency has been expunged, and the  
9 effect of such expungement.

10 (3) RIGHT TO PETITION COURT FOR  
11 EXPUNGEMENT.—At any point after the date of en-  
12 actment of this Act, any individual with a prior con-  
13 viction or adjudication of juvenile delinquency for a  
14 Federal cannabis offense, who is not under a crimi-  
15 nal justice sentence, may file a motion for  
16 expungement. If the expungement of such a convic-  
17 tion or adjudication of juvenile delinquency is re-  
18 quired pursuant to this Act, the court shall expunge  
19 the conviction or adjudication, and any associated  
20 arrests. If the individual is indigent, counsel shall be  
21 appointed to represent the individual in any pro-  
22 ceedings under this subsection.

23 (4) SEALED RECORD.—The court shall seal all  
24 records related to a conviction or adjudication of ju-  
25 venile delinquency that has been expunged under

1       this subsection. Such records may only be made  
2       available by further order of the court.

3       (b) SENTENCING REVIEW FOR INDIVIDUALS UNDER  
4       A CRIMINAL JUSTICE SENTENCE.—

5               (1) IN GENERAL.—For any individual who is  
6       under a criminal justice sentence for a Federal can-  
7       nabis offense, the court that imposed the sentence  
8       shall, on motion of the individual, the Director of  
9       the Bureau of Prisons, the attorney for the Govern-  
10      ment, or the court, conduct a sentencing review  
11      hearing. If the individual is indigent, counsel shall  
12      be appointed to represent the individual in any sen-  
13      tencing review proceedings under this subsection.

14              (2) POTENTIAL REDUCED RESENTENCING.—  
15      After a sentencing hearing under paragraph (1), a  
16      court shall—

17                   (A) expunge each conviction or adjudica-  
18                   tion of juvenile delinquency for a Federal can-  
19                   nabis offense entered by the court before the  
20                   date of enactment of this Act, and any associ-  
21                   ated arrest;

22                   (B) vacate the existing sentence or disposi-  
23                   tion of juvenile delinquency and, if applicable,  
24                   impose any remaining sentence or disposition of  
25                   juvenile delinquency on the individual as if this

1 Act, and the amendments made by this Act,  
2 were in effect at the time the offense was com-  
3 mitted; and

4 (C) order that all records related to a con-  
5 viction or adjudication of juvenile delinquency  
6 that has been expunged or a sentence or dis-  
7 position of juvenile delinquency that has been  
8 vacated under this Act be sealed and only be  
9 made available by further order of the court.

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

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

15 (2) shall be immune from any civil or criminal  
16 penalties related to perjury, false swearing, or false  
17 statements, for a failure to disclose such arrest, con-  
18 viction, or adjudication.

19 (d) DEFINITIONS.—In this section:

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

23 (2) The term “expunge” means, with respect to  
24 an arrest, a conviction, or a juvenile delinquency ad-  
25 judication, the removal of the record of such arrest,



1 conviction, or adjudication from each official index  
2 or public record.

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

11 **SEC. 10. REFERENCES IN EXISTING LAW TO MARIJUANA OR**  
12 **MARIHUANA.**

13 Wherever, in the statutes of the United States or in  
14 the rulings, regulations, or interpretations of various ad-  
15 ministrative bureaus and agencies of the United States—

16 (1) there appears or may appear the term  
17 “marihuana” or “marijuana”, that term shall be  
18 struck and the term “cannabis” shall be inserted;  
19 and

20 (2) there appears or may appear the term  
21 “Marihuana” or “Marijuana”, that term shall be  
22 struck and the term “Cannabis” shall be inserted.

23 **SEC. 11. SEVERABILITY.**

24 If any provision of this Act or an amendment made  
25 by this Act, or any application of such provision to any

1 person or circumstance, is held to be unconstitutional, the  
2 remainder of this Act, the amendments made by this Act,  
3 and the application of this Act and the amendments made  
4 by this Act to any other person or circumstance shall not  
5 be affected.

6 **SEC. 12. CANNABIS OFFENSE DEFINED.**

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

9 (1) that, under Federal law, is no longer pun-  
10 ishable pursuant to this Act or the amendments  
11 made under this Act; or

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

17 **SEC. 13. RULEMAKING.**

18 Unless otherwise provided in this Act, not later than  
19 1 year after the date of enactment of this Act, the Depart-  
20 ment of the Treasury, the Department of Justice, and the  
21 Small Business Administration shall issue or amend any  
22 rules, standard operating procedures, and other legal or  
23 policy guidance necessary to carry out implementation of  
24 this Act. After the 1-year period, any publicly issued sub-  
25 regulatory guidance, including any compliance guides,

1 manuals, advisories and notices, may not be issued with-  
2 out 60-day notice to appropriate congressional commit-  
3 tees. Notice shall include a description and justification  
4 for additional guidance.

○