



Global Alliance for Cannabis Commerce

GACC Model U.S. Federal Legislation Section-by-Section Analysis

Section 1 is the short title.

Section 2 is the table of contents.

Section 101 treats cannabis like beer or similar substances with respect to the Controlled Substances Act and performs conforming amendments.

Section 102 provides an appropriation for an unspecified amount for highways safety studies related to driving under the influence of cannabis.

Section 103 provides an appropriation for an unspecified amount to fund research into effects of tetrahydrocannabinol (THC) on the human brain, the efficacy of medicinal cannabis as a treatment for specific diseases and conditions, and the identification of additional medical benefits and uses of cannabis.

Section 104 protects children from unethical and illegal advertising directed at persons under the age of 21 by authorizing the Alcohol and Tobacco Tax and Trade Bureau of the Department of the Treasury (TTB) to promulgate regulations on the subject.

Section 105 establishes a national cannabis consumption age of 21, with an exception for medical uses consistent with state law and qualified medical caregiver direction, such as with children with epilepsy.

Section 106 establishes the two-track regulatory framework for cannabis medical and adult-use. TTB is established as the primary regulator of adult-use cannabis. The Food and Drug Administration is given jurisdiction over the regulation of medical cannabis products, based on their labeling claims, and any cannabis-infused foods, with separate pathways for medical edibles and adult-use edibles within the FDA. Section 7 further provides for interstate trade comity, that is, any state-licensed cannabis business may engage in interstate adult-use trade for non-edible cannabis products provided compliance with the TTB regulations. It also transfers the Drug Enforcement Administration's current authorities with respect to cannabis to the TTB.

Section 107 compels the Secretary of Agriculture to issue regulations regarding the farming of cannabis plants and applies the Hemp Farming Act of 2018 to cannabis.

Section 108 protects the right of states that have not legalized cannabis to maintain their legal regimes and block interstate diversion into their black market. It legalizes interstate trade between states that have legalized cannabis, and requires the Alcohol, Tobacco, and Firearms Bureau (ATF) to develop and implement a track-and-trace system to ensure that cannabis merely traveling through states where it is illegal does not divert from its legal endpoint, such as with fireworks and alcohol traveling through dry counties.

Section 109 makes available from the DEA's stock of research cannabis at the University of Mississippi Marijuana Research Facility available for baseline calibration testing for cannabis labs with federal uniformity.

Section 110 provides an appropriation for an unspecified amount for state and local police units to be retrained with respect to the new cannabis laws and regulations.

Section 111 regulates the importation and exportation of cannabis by providing for a federal permitting scheme, like that of alcohol, to engage in foreign cannabis commerce, and requires foreign cannabis quality and labeling to be of the same quality as domestic cannabis for the same commercial purpose.

Section 112 establishes a federal excise tax on cannabis for an unspecified percentage to provide new revenues and offset the costs of implementing cannabis legalization.

Section 113 is the "Cannabis Safety Act", which provides for a certification process similar to that in the Medical Gas Safety Act of 2012 to allow state-legal medical and edible cannabis products to avoid the unintended consequence of not having been part of the modern FDA system for 80 years. The Cannabis Safety Act also removes the dire threat of the FDA's outdated and unworkable preclusion rules by exempting cannabis from drug preclusion, and food additive/supplement preclusion to allow for adult and medical edible markets to continue to thrive.

Section 114 repatriates cannabis business funds and directs the Attorney General to review all federal cannabis convictions and provide a recommendation to the President as to relieve or pardon.

Section 115 provides for restitution for American communities adversely affected by cannabis enforcement by providing for a grants program for expungement of cannabis conviction records, by creating a Cannabis Opportunity Trust Fund funded by 20% of the excise tax revenues, and by requiring the Comptroller General to perform a diversity and inclusion study.

Section 116 requires the Comptroller General to perform a study of all federal laws and regulations to determine if any changes in policy are desirable in light of this Act, to report not more than two years after the passage of this Act.

Section 117 authorizes the President to send trade delegations, established as U.S. policy the objective to remove unjustifiable foreign barriers to international cannabis commerce, and clarifies that Congress retains the power to alter any particular substance's control-scheduling, regardless of international treaty.

Section 118 changes all references to "marijuana" or "marihuana" in federal documents to "cannabis."

Section 201 is the Financial Institution Consumer Protection Act of 2019, which prevents federal banking regulators from performing actions similar to those of Operation Chokepoint against disfavored businesses.