

115TH CONGRESS 1ST SESSION H.R. 1841

To provide for the regulation of marijuana products, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

March 30, 2017

Mr. Polis introduced the following bill; which was referred to the Committee on the Judiciary, and in addition to the Committees on Energy and Commerce, Ways and Means, Natural Resources, and Agriculture, 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

A BILL

To provide for the regulation of marijuana products, 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 "Regulate Marijuana
- 5 Like Alcohol Act".

1 TITLE II—REGULATION

2 Subtitle A—Amendments To De-

3 criminalize Marijuana at the

4 Federal Level

- 5 SEC. 201. DECRIMINALIZATION OF MARIJUANA.
- 6 (a) Removal From Schedule of Controlled
- 7 Substances.—Notwithstanding any other provision of
- 8 the Controlled Substances Act (21 U.S.C. 801 et seq.),
- 9 the Attorney General shall, not later than 60 days after
- 10 the date of the enactment of this Act, issue a final order
- 11 that removes marijuana in any form from all schedules
- 12 under section 202(c) of that Act (21 U.S.C. 812(c)).
- 13 (b) Conforming Amendment To Remove Legis-
- 14 LATIVE DEADWOOD.—Subsection (c) of section 202 of the
- 15 Controlled Substances Act (21 U.S.C. 812) is amended
- 16 to read as follows:
- 17 "(c) Cross Reference to Schedules of Con-
- 18 TROLLED SUBSTANCES.—Schedules I, II, III, IV, and V
- 19 shall consist of the drugs and other substances (by what-
- 20 ever official name, common or usual name, chemical name,
- 21 or brand name designated) that are set forth in the respec-
- 22 tive schedules in part 1308 of title 21, Code of Federal
- 23 Regulations, as they may be amended from time to time,
- 24 or in any successor regulation.".

ı	SEC	202	APPLICATION	OF THE	CONTR	UI I ED	CLIBCLYNCEC

- 2 ACT AND CONTROLLED SUBSTANCES IMPORT
- 3 AND EXPORT ACT TO MARIJUANA.
- 4 Part A of the Controlled Substances Act (21 U.S.C.
- 5 801 et seq.) is amended by adding at the end the fol-
- 6 lowing:

7 "SEC. 103. APPLICATION TO MARIHUANA.

- 8 "(a) General Nonapplication.—Except as pro-
- 9 vided in this section, this title and title III do not apply
- 10 to marihuana.
- 11 "(b) Exception: Prohibition on Certain Trans-
- 12 PORTATIONS AND SHIPMENTS.—It shall be unlawful to
- 13 ship or transport marihuana from any place outside a
- 14 State, territory, or district of the United States, or other
- 15 place noncontiguous to but subject to the jurisdiction of
- 16 the United States, into that State, territory, or district
- 17 of the United States, or place, when such marihuana is
- 18 intended by any person interested therein to be received,
- 19 possessed, sold, or in any manner used, in violation of any
- 20 law of such State, territory, district, or place.
- 21 "(c) Penalty.—Whoever knowingly violates sub-
- 22 section (b) shall be fined under title 18, United States
- 23 Code, or imprisoned not more than one year, or both.".
- 24 SEC. 203. CONFORMING AND ANCILLARY AMENDMENTS.
- 25 (a) Modification of Definition of "Felony
- 26 Drug Offense".—Section 102(44) of the Controlled

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Substances Act (21 U.S.C. 802(44)) is amended by strik-
 2
   ing "marihuana,".
 3
        (b) Elimination of Marijuana Penalty Provi-
    SIONS.—Part D of the Controlled Substances Act (21
    U.S.C. 841 et seq.) is amended—
 6
             (1) in section 401—
 7
                  (A) by striking subsection (b)(1)(A)(vii);
 8
                  (B) by striking subsection (b)(1)(B)(vii);
 9
                  (C) by striking subsection (b)(1)(D); and
10
                  (D) by striking subsection (b)(4);
11
             (2) in section 402(c)(2)(B), by striking "mari-
        huana,";
12
13
             (3) in section 403(d)(1), by striking "mari-
14
        huana,";
15
             (4) in section 418(a), by striking the last sen-
16
        tence;
17
             (5) in section 419(a), by striking the last sen-
18
        tence;
19
             (6) in section 422(d), in the matter preceding
20
        paragraph (1), by striking "marijuana,"; and
             (7) in section 422(d)(5), by striking ", such as
21
22
        a marihuana cigarette,".
23
        (c) Removal of Prohibition on Import and Ex-
    PORT.—Section 1010 of the Controlled Substances Import
    and Export Act (21 U.S.C. 960) is amended—
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1
            (1) by striking subparagraph (G) of subsection
 2
        (b)(1);
 3
            (2) by striking subparagraph (G) of subsection
 4
        (b)(2); and
 5
             (3) by striking paragraph (4) of subsection (b).
 6
        (d) Limiting the Application of the National
   Forest System Drug Control Act of 1986 to Con-
 8
   TROLLED SUBSTANCES OTHER THAN MARIJUANA.—The
   National Forest System Drug Control Act of 1986 is
10
   amended—
11
             (1) in section 15002(a) (16 U.S.C. 559b(a)) by
        striking "marijuana and other";
12
13
             (2) in section 15003(2) (16 U.S.C. 559c(2)) by
14
        striking "marijuana and other"; and
15
            (3) in section 15004(2) (16 U.S.C. 559d(2)) by
        striking "marijuana and other".
16
17
        (e) Interception of Communications.—Section
18
   2516 of title 18, United States Code, is amended—
19
            (1) in subsection (1)(e), by striking "mari-
        huana,"; and
20
21
             (2) in subsection (2) by striking "marihuana,".
22
        (f) National Youth Anti-Drug Media Cam-
23
   PAIGN.—Section 709 of the Office of National Drug Con-
   trol Policy Reauthorization Act of 1998 (21 U.S.C. 1708)
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- 1 is amended by striking subsection (j) (relating to preven-
- 2 tion of marijuana use).

3 Subtitle B—Federal Marijuana

4 Licensing and Related Matters

- 5 SEC. 211. FEDERAL MARIJUANA ADMINISTRATION.
- 6 The Federal Alcohol Administration Act (27 U.S.C.
- 7 201 et seq.) is amended by adding at the end the fol-
- 8 lowing:

9 **"TITLE III—MARIJUANA**

- 10 "SEC. 301. UNLAWFUL BUSINESSES WITHOUT MARIJUANA
- PERMIT.
- 12 "(a) Import.—It shall be unlawful, except pursuant
- 13 to a permit issued under this title by the Secretary of the
- 14 Treasury (hereinafter in this title referred to as the 'Sec-
- 15 retary')—
- 16 "(1) to engage in the business of importing
- marijuana into the United States; or
- 18 "(2) for any person so engaged to sell, offer or
- deliver for sale, contract to sell, or ship, in interstate
- or foreign commerce, directly or indirectly or
- 21 through an affiliate, marijuana so imported.
- 22 "(b) Manufacture and Sale.—It shall be unlaw-
- 23 ful, except pursuant to a permit issued under this title
- 24 by the Secretary—

1	"(1) to engage in the business of cultivating,
2	producing, manufacturing, packaging, or
3	warehousing marijuana; or
4	"(2) for any person so engaged to sell, offer or
5	deliver for sale, contract to sell, or ship, in interstate
6	or foreign commerce, directly or indirectly or
7	through an affiliate, marijuana so cultivated, pro-
8	duced, manufactured, packaged, or warehoused.
9	"(c) Resale.—It shall be unlawful, except pursuant
10	to a permit issued under this title by the Secretary—
11	"(1) to engage in the business of purchasing
12	marijuana for resale at wholesale; or
13	"(2) for any person so engaged to receive or to
14	sell, offer or deliver for sale, contract to sell, or ship,
15	in interstate or foreign commerce, directly or indi-
16	rectly or through an affiliate, marijuana so pur-
17	chased.
18	"(d) Remedies for Violations.—
19	"(1) Criminal fine.—
20	"(A) GENERALLY.—Whoever violates this
21	section shall be fined not more than \$1,000.
22	"(B) Settlement in compromise.—The
23	Secretary may decide not to refer a violation of
24	this section to the Attorney General for pros-
25	ecution but instead to collect a payment from

1	the violator of no more than \$500 for that vio-
2	lation.
3	"(2) CIVIL ACTION FOR RELIEF.—The Attorney
4	General may, in a civil action, obtain appropriate re-
5	lief to prevent and restrain a violation of this title.
6	"SEC. 302. PROCEDURE FOR ISSUANCE OF MARIJUANA
7	PERMITS.
8	"(a) Who Entitled to Permit.—
9	"(1) Generally.—The Secretary shall issue a
10	permit for operations requiring a permit under sec-
11	tion 301 unless the Secretary finds that—
12	"(A) the applicant (or if the applicant is a
13	corporation, any of its officers, directors, or
14	principal stockholders) has been convicted of a
15	disqualifying offense;
16	"(B) the applicant is, by reason of busi-
17	ness experience, financial standing, or trade
18	connections, not likely to commence operations
19	within a reasonable period or to maintain such
20	operations in conformity with Federal law; or
21	"(C) the operations proposed to be con-
22	ducted by the applicant are in violation of the
23	law of the State in which they are to be con-
24	ducted.

1	"(2) Disqualifying offenses.—For the pur-
2	poses of paragraph (1)—
3	"(A) GENERALLY.—Except as provided in
4	subparagraph (B) a disqualifying offense is an
5	offense related to the production, consumption,
6	or sale of marijuana that is—
7	"(i) a felony under Federal or State
8	law, if the conviction occurred not later
9	than 5 years before the date of the applica-
10	tion; or
11	"(ii) a misdemeanor under Federal
12	law, if the conviction occurred not later
13	than 3 years before the date of the applica-
14	tion.
15	"(B) Excluded offenses.—A disquali-
16	fying offense does not include a Federal or
17	State offense based on conduct that—
18	"(i) was legal under State law in the
19	State when and where the conduct took
20	place, or
21	"(ii) is, as of the date of the applica-
22	tion, no longer an offense in that State.
23	"(b) Refusal of Permit; Hearing.—If upon ex-
24	amination of any application for a permit the Secretary
25	has reason to believe that the applicant is not entitled to

1	such permit, the Secretary shall so notify the applicant
2	and, upon request by the applicant, afford the applicant
3	due notice and opportunity for hearing on the application
4	If the Secretary, after affording such notice and oppor-
5	tunity for hearing, still finds that the applicant is not enti-
6	tled to a permit hereunder, the Secretary shall by order
7	deny the application stating the findings which are the
8	basis for the order.
9	"(c) Form of Application.—
10	"(1) Generally.—The Secretary shall—
11	"(A) prescribe the manner and form of ap-
12	plications for permits under this title (including
13	the facts to be set forth in the application);
14	"(B) prescribe the form of such permits
15	and
16	"(C) specify in any permit the authority
17	conferred by the permit and the conditions of
18	that permit in accordance with this title.
19	"(2) Separate types of applications and
20	PERMITS.—To the extent deemed necessary by the
21	Secretary for the efficient administration of this
22	title, the Secretary may require separate applications
23	and permits with respect to the various classes of
24	marijuana, and with respect to the various classes of
25	persons entitled to permits under this title.

1	"(3) Disclaimer.—The issuance of a permit
2	under this title does not deprive the United States
3	of any remedy for a violation of law.
4	"(d) Conditions.—A permit under this title shall be
5	conditioned upon—
6	"(1) compliance with all other Federal laws re-
7	lating to production, sale and consumption of mari-
8	juana, as well as compliance with all State laws re-
9	lating to said activities in the State in which the per-
10	mit applicant resides and does business; and
11	"(2) payment to the Secretary of a reasonable
12	permit fee in an amount determined by the Sec-
13	retary to be sufficient over time to offset the cost of
14	implementing and overseeing all aspects of mari-
15	juana regulation by the Federal Government.
16	"(e) Revocation, Suspension, and Annul-
17	MENT.—
18	"(1) Generally.—After due notice and oppor-
19	tunity for hearing, the Secretary may order a permit
20	under this title—
21	"(A) revoked or suspended for such period
22	as the Secretary deems appropriate, if the Sec-
23	retary finds that the permittee has willfully vio-
24	lated any of the conditions of the permit, but

1	for a first violation of the conditions the permit
2	shall be subject to suspension only;
3	"(B) revoked if the Secretary finds that
4	the permittee has not engaged in the operations
5	authorized by the permit for a period of more
6	than 2 years; or
7	"(C) annulled if the Secretary finds that
8	the permit was procured through fraud, or mis-
9	representation, or concealment of material fact.
10	"(2) Order to state basis for order.—
11	The order shall state the findings which are the
12	basis for the order.
13	"(f) Service of Orders.—Each order of the Sec-
14	retary with respect to any denial of application, suspen-
15	sion, revocation, annulment, or other proceedings, shall be
16	served—
17	"(1) in person by any officer or employee of the
18	Secretary designated by him or any internal revenue
19	or customs officer authorized by the Secretary for
20	the purpose; or
21	"(2) by mailing the order by registered mail,
22	addressed to the applicant or respondent at his last
23	known address in the records of the Secretary.
24	"(g) Duration.—

- 1 "(1) GENERAL RULE.—Except as otherwise 2 provided in this subsection, a permit issued under 3 this title shall continue in effect until suspended, re-4 voked, or annulled as provided in this title, or volun-5 tarily surrendered.
- 6 "(2) Effect of transfer.—If operations 7 under a permit issued under this title are trans-8 ferred, the permit automatically terminates 30 days 9 after the date of that transfer, unless an application 10 is made by the transferee before the end of that pe-11 riod for a permit under this title for those oper-12 ations. If such an application is made, the out-13 standing permit shall continue in effect until such 14 application is finally acted on by the Secretary.
 - "(3) Definition of transfer.—For the purposes of this section, the term 'transfer' means any change of ownership or control, whether voluntary or by operation of law.
- "(h) JUDICIAL REVIEW.—A permittee or applicant for a permit under this title may obtain judicial review under chapter 7 of title 5, United States Code, of the denial of the application of that applicant or, in the case of a permittee, the denial of an application by the transferee of that permittee.
- 25 "(i) STATUTE OF LIMITATIONS.—

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1 "(1) IN GENERAL.—No proceeding for the sus-2 pension or revocation of a permit for violation of any 3 condition thereof relating to compliance with Federal 4 law shall be instituted by the Secretary more than 5 18 months after conviction of the violation of Fed-6 eral law, or, if no conviction has been had, more 7 than 3 years after the violation occurred.

"(2) Compromise.—No permit shall be suspended or revoked for a violation of any such condition thereof if the alleged violation of Federal law has been compromised by any officer of the Government authorized to compromise such violation.

13 "SEC. 303. DEFINITIONS.

"In this title—

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- 15 "(1) the term 'marijuana' has the meaning 16 given the term 'marihuana' in section 102 of the 17 Controlled Substances Act (21 U.S.C. 802); and
- "(2) the term 'State' includes the District of Columbia, Puerto Rico, and any territory or possession of the United States.".

1	SEC. 212. ADDITION OF MARIJUANA TO CERTAIN LEGAL AU-
2	THORITIES RELATING TO INTOXICATING LIQ-
3	UORS.
4	(a) Wilson Act.—The Act of August 8, 1890 (com-
5	monly known as the Wilson Act or the Original Packages
6	Act; 27 U.S.C. 121), is amended—
7	(1) by inserting ", or marijuana," after "intoxi-
8	cating liquors or liquids"; and
9	(2) by striking "such liquids or liquors" and in-
10	serting "such liquids, liquors, or marijuana".
11	(b) Webb-Kenyon Act.—The Act of March 1, 1913
12	(commonly known as the Webb-Kenyon Act; 27 U.S.C.
13	122), is amended—
14	(1) by inserting "marijuana or any" after
15	"whatsoever, of any"; and
16	(2) by inserting "marijuana or" after "which
17	said".
18	(e) Victims of Trafficking and Violence Pro-
19	TECTION ACT OF 2000.—Section 2 of the Victims of Traf-
20	ficking and Violence Protection Act of 2000 (27 U.S.C.
21	122a) is amended—
22	(1) in subsection (a)—
23	(A) by redesignating paragraphs (3) and
24	(4) as paragraphs (4) and (5), respectively; and
25	(B) by inserting after paragraph (2) the
26	following new paragraph:

1	"(3) the term 'marijuana' has the meaning
2	given the term 'marihuana' in section 102 of the
3	Controlled Substances Act (21 U.S.C. 802);"; and
4	(2) in subsections (b) and (c), by inserting "or
5	marijuana" after "intoxicating liquor" each place it
6	appears.
7	Subtitle C—Other Amendments Re-
8	lating to Federal Authority Re-
9	garding Marijuana
10	SEC. 221. FOOD AND DRUG ADMINISTRATION.
11	The Food and Drug Administration shall have the
12	same authorities with respect to marijuana as the Admin-
13	istration has with respect to alcohol.
14	SEC. 222. TRANSFERRING AGENCY FUNCTIONS WITH RE-
15	GARD TO MARIJUANA.
16	(a) Transfer of Jurisdiction From Drug En-
17	FORCEMENT ADMINISTRATION TO BUREAU OF ALCOHOL
18	TOBACCO, FIREARMS AND EXPLOSIVES.—The functions
19	of the Attorney General, acting through the Administrator
20	of the Drug Enforcement Administration relating to mari-
21	juana enforcement, shall hereafter be administered by the
22	Attorney General, acting through the Director of the Bu-
23	reau of Alcohol, Tobacco, Firearms and Explosives.
24	(b) Redesignation of Bureau of Alcohol, To-
25	BACCO FIREARMS AND EXPLOSIVES AS BUREAU OF AL.

- COHOL, TOBACCO, MARIJUANA, FIREARMS AND EXPLO-2 SIVES.— 3 (1) Redesignation.—The Bureau of Alcohol, Tobacco, Firearms and Explosives is hereby renamed the "Bureau of Alcohol, Tobacco, Marijuana, 5
- 6 Firearms and Explosives".
- 7 (2) References.—Any reference to the Bu-8 reau of Alcohol, Tobacco, Firearms and Explosives 9 in any law, regulation, map, document, record, or 10 other paper of the United States shall be deemed to 11 be a reference to the Bureau of Alcohol, Tobacco, 12
- 13 (c) Redesignation of Alcohol and Tobacco

Marijuana, Firearms and Explosives.

- 14 TAX AND TRADE BUREAU AS ALCOHOL, TOBACCO, AND
- 15 Marijuana Tax and Trade Bureau.—
- (1) Redesignation.—The Alcohol and To-16 17 bacco Tax and Trade Bureau is hereby renamed the 18 "Alcohol, Tobacco, and Marijuana Tax and Trade 19 Bureau".
- 20 (2) References.—Any reference to the Alco-21 hol and Tobacco Tax and Trade Bureau in any law, 22 regulation, map, document, record, or other paper of 23 the United States shall be deemed to be a reference 24 to the Alcohol, Tobacco, and Marijuana Tax and 25 Trade Bureau.

1 SEC. 223. UNFAIR ADVERTISING PRACTICES.

2	(a) In General.—It shall be unlawful for any per-
3	son engaged in the business of importing marijuana into
4	the United States, or cultivating, producing, manufac-
5	turing, packaging, or warehousing marijuana, or pur-
6	chasing marijuana for resale at wholesale, directly or indi-
7	rectly or through an affiliate, to publish or disseminate
8	or cause to be published or disseminated by radio broad-
9	cast, or in any newspaper, periodical or other publication
10	or by any sign or outdoor advertisement or any other
11	printed or graphic matter, any advertisement of mari-
12	juana, if such advertisement is in, or is calculated to in-
13	duce sales in, interstate or foreign commerce, or is dis-
14	seminated by mail, unless such advertisement is in con-
15	formity with such regulations, to be prescribed by the Sec-
16	retary of the Treasury, or the Secretary's delegate (re-
17	ferred to in this section as the "Secretary"), as will—
18	(1) prevent deception of the consumer with re-
19	spect to the products advertised and as will prohibit
20	irrespective of falsity, such statements relating to
21	manufacturing processes, analyses, guaranties, and
22	scientific or irrelevant matters as the Secretary finds
23	to be likely to mislead the consumer;
24	(2) provide the consumer with adequate infor-
25	mation as to the identity and quality of the products

- advertised, the characteristics thereof, and the person responsible for the advertisement;
- 3 (3) prohibit statements that are disparaging of 4 a competitor's products or are false, misleading, ob-5 scene, or indecent; and
- 6 (4) prevent statements inconsistent with any 7 statement on the labeling of the products advertised.
- 8 (b) Nonapplication to Publishers and Broad-
- 9 CASTERS.—The prohibitions of this section and regula-
- 10 tions thereunder shall not apply to the publisher of any
- 11 newspaper, periodical, or other publication, or radio broad-
- 12 caster, unless such publisher or radio broadcaster is en-
- 13 gaged in the business of importing marijuana into the
- 14 United States, or cultivating, producing, manufacturing,
- 15 packaging, or warehousing marijuana, or purchasing
- 16 marijuana for resale at wholesale, directly or indirectly or
- 17 through an affiliate.
- 18 SEC. 224. COMPTROLLER GENERAL REVIEW OF LAWS AND
- 19 REGULATIONS.
- The Comptroller General shall conduct a review of
- 21 Federal laws, regulations, and policies to determine if any
- 22 changes in them are desirable in the light of the purposes
- 23 and provisions of this Act. Not later than 2 years after
- 24 the date of the enactment of this Act, the Comptroller
- 25 General shall make to Congress and the relevant agencies

- 1 such recommendations relating to the results of that re-
- $2\,\,$ view as the Comptroller General deems appropriate.

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