

Practice Update

“CAOA” - A Federal Decriminalization of Cannabis Bill Addressing Banking, Taxes, Criminal Law, and More - Introduced in U.S. Congress

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By Jonathan S. Robbins

A long-awaited bill to federally legalize cannabis was finally introduced last week after a year of negotiation following the release of a draft last year. On Thursday, July 21, 2022, U.S. Senators Cory Booker, Chuck Schumer, and Senate Finance Committee Chair Ron Wyden introduced the Cannabis Administration and Opportunity Act (“CAOA”) to the U.S. Congress. CAOA is a comprehensive, 296-page bill designed to address several different topics concerning the federal legalization of cannabis such as “removing cannabis from the federal list of controlled substances, protecting public health and safety, and expunging the criminal records of those with low-level cannabis offenses” according to Senate Majority Leader Chuck Schumer.

Specifically, CAOA is divided into eight different titles, which are:

1. Decriminalization Of Cannabis, Public Safety, And States’ Rights
2. Research, Training, And Prevention
3. Restorative Justice And Opportunity
4. Taxation And Establishment Of Trust Fund

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CAOA will now be passed to a Senate Committee and begin its attempt to pass through the Senate. If passed, CAO A will affect multiple vital industries and the top-level and mid-level executives within them. However, tax advisors, cannabis business owners, public health workers, bankers, financial advisors, criminal and HR lawyers, and non-profits focused on restorative justice should take the time to learn more about the nuances of the Act and its proposed regulations because it will affect the way you conduct business. To get started, look at the [summary](#) of the Act provided by the drafters of the Act.

Lastly, CAO A is a new Act that will undoubtedly be revised and amended if the Senate successfully passes it. However, Akerman's Cannabis Practice Team closely follows CAO A's developments and other cannabis-related matters. As discussions and decisions about CAO A occur, be on the lookout for additional guidance from us.

Disclaimer

Possessing, using, distributing, and/or selling marijuana or marijuana-based products is illegal under federal law, regardless of any state law that may decriminalize such activity under certain circumstances. Although federal enforcement policy may at times defer to states' laws and not enforce conflicting federal laws, interested businesses and individuals should be aware that compliance with state law in no way assures compliance with federal law, and there is a risk that conflicting federal laws may be enforced in the future. No legal advice we

give is intended to provide any guidance or assistance in violating federal law.

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