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**SENATE COMMITTEE ON PUBLIC SAFETY**  
**Senator Nancy Skinner, Chair**  
**2017 - 2018 Regular**

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**Bill No:** SJR 5                      **Hearing Date:** March 21, 2017  
**Author:** Stone  
**Version:** February 21, 2017  
**Urgency:**                                      **Fiscal:**                      No  
**Consultant:** NQG

**Subject: *Federal Rescheduling of Marijuana From a Schedule I Drug***

**HISTORY**

Source: Author  
Prior Legislation: Unknown  
Support: Unknown  
Opposition: None known

**PURPOSE**

***The purpose of this Senate Joint Resolution is to formally request the United States Congress to pass a law to reschedule cannabis, marijuana, and its derivatives from a Schedule I drug to an alternative schedule, and for the President of the United states to sign such legislation.***

*Existing federal law* classifies cannabis and its derivatives as a Schedule I drug. Other Schedule I drugs include heroin, diethylamide (LSD), 4-methylenedioxymethamphetamine (ecstasy), methaqualone (Quaalude), and peyote, among other drugs. (21 U.S. Code § 812 (c)(a).)

*Existing California state law*, authorized by voter initiatives, allows for the medicinal and recreational use of cannabis. (Cal. Const. Proposition 215 & Proposition 64)

*This joint resolution states* that Marijuana or cannabis and its congeners have been studied worldwide outside the United States for years and have shown efficacy for various conditions, such as wasting syndrome, as an antinauseant in those taking chemotherapy, Glaucoma (reduces intraocular pressure), Epilepsy (anti-seizure properties), migraine headaches and other types of pain, and anxiety.

*This joint resolution states* that marijuana or cannabis is presently classified by the Drug Enforcement Administration as a Schedule I drug wherein the possession, sale, or utilization can trigger federal prosecution statues, including federal forfeiture provisions;

*This joint resolution states* that concerns about the criminality and forfeiture provisions in federal law impede traditional banking institutions from doing business with potential clients cultivating, researching, selling, or utilizing marijuana or cannabis and its derivatives, therefore making marijuana commerce very difficult.

*This joint resolution states that the inability to use traditional banking institutions impedes local and state government from adequately monitoring true marijuana or cannabis utilization and shortchanges the respective taxes owed to taxing agencies, potentially costing state and local governments hundreds of millions of dollars in lost tax income;*

*This joint resolution states that since marijuana or cannabis businesses are unable to legally use traditional banking institutions, many vendors resort to the black market and involvement of organized crime making communities less safe.*

*This joint resolution states that marijuana or cannabis and its derivatives cannot be legally studied by research institutions if it remains a Schedule I drug, thereby prohibiting newly discovered and verifiable pharmacological attributes of marijuana or cannabis and its derivatives, which otherwise may enhance the quality of life of those that could truly benefit from its use.*

*This joint resolution urges the Congress of the United States to pass a law to reschedule marijuana or cannabis and its derivatives from a Schedule I drug to an alternative schedule, therefore allowing the legal research and development of marijuana or cannabis for medical use and allowing for the legal commerce of marijuana or cannabis so that businesses dealing with marijuana or cannabis can use traditional banks or financial institutions for their banking needs, which would result in providing a legal vehicle for those businesses to pay their taxes, including, but not limited to, payroll taxes, unsecured property taxes, and applicable taxes on the products sold in accordance with state and local laws;*

*This joint resolution urges the President of the United States to sign such legislation.*

*This joint resolution orders the Secretary of the Senate to distribute copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, the Majority Leader of the United States Senate, to each Senator and Representatives from California in the Congress of the United States, and to the author for appropriate distribution.*

## COMMENTS

### 1. Need for this Joint Resolution

According to the author:

This resolution calls on Congress and the President to reschedule Marijuana from a Schedule 1 drug. The purpose for doing so is two-fold. First, it would allow for research facilities in the U.S. to legally study marijuana and determine what kind of medical benefits truly come from it. Second, as California embarks on the path to legalized marijuana following the passage of Proposition 64, banks and other financial institutions are unable to offer their services. As long as federal law recognizes marijuana as an illegal drug, California's financial institutions will be left out. This could force businesses, who are trying to pay their taxes and do the right thing under state law, to use other options, including the black market. This could result in millions in lost revenue to the State. By reclassifying marijuana from a Schedule 1 drug at the federal level, California will ultimately become a safer place.

**2. Effect of this Joint Resolution**

As stated above, this resolution urges the United States Congress and the President of the United States to reschedule cannabis and its derivatives from a Schedule. California has a particular interest in the rescheduling of cannabis from a Schedule I drug because California state law allows for the medical and recreational use of cannabis.

**-- END --**