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Cannabis lobbying steps up in the US with major players joining the discussion

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Significant cannabis reform is inevitably coming to the US Congress, no matter whether the Biden administration considers it a priority, and giants in experienced lobbying industries such as tobacco, banking and insurance are preparing their agents.

In recent years lobbying in cannabis-related areas has largely been limited to cannabis companies and industry organisations – with federal lobbying expenses totalling almost \$11m in the previous year, according to official disclosures. But that is already changing, and the newer additions bring deep war-chests to fund efforts supporting their positions.

For example Altria, one of the world's largest producers and marketers of tobacco and nicotine products, last year dedicated \$10.6m to lobbying for tobacco, almost the entirety of what was collectively spent by all parties on cannabis lobbying. This suggests that if these new entrants into cannabis lobbying divert just a proportion of their overall lobbying spend to cannabis-related areas, they have a chance of turning policymaking towards their proposed direction.

One such organisation working on behalf of relative newcomers to cannabis lobbying, such as the aforementioned Altria as well as Molson Coors (a multi-national alcohol company), is the Coalition for Cannabis Policy, Education, and Regulation (CPEAR), a group started in March 2021 with both companies as founding members.

The CPEAR says it wants to establish “a responsible and equitable federal regulatory framework for cannabis in the United States”.

Not ‘if’ but ‘how’

CPEAR executive director Andrew Freedman dismissed concerns that alcohol or tobacco industry involvement would negatively influence cannabis reform as alarmist. He said their experience in national distribution and regulation was helpful. Standardising cannabis policy was essential and the experience of large companies like those involved in alcohol and tobacco would be important for that. Their inclusion would not mean the exclusion of other smaller companies, he added.

“There are a few things that need to be said around the alarmism of harmonising and standardising cannabis policy through a comprehensive federal framework,” Freedman said. “The Coalition hopes to work with small businesses and represent their interests in our development of public policy solutions. If you look at industries like the alcohol industry, for example, there is no shortage of craft, locally-owned specialty brands out there. There are small, medium, and large companies that flourish alongside larger multinational companies.”

Companies from highly regulated industries bring capability in terms of compliance, product safety and reliability because of their experience in areas such as national distribution, testing and product approval. But they can only be one piece of the puzzle, he told CBD-Intel.

“The Coalition wishes to be a place that engages in dialogue with a large, diverse set of voices. A unified vision between all these voices is the only way we will successfully implement thoughtful and comprehensive federal cannabis regulation,” Freedman added.

This means that their objective is wholly aligned with the overall objective of those involved in cannabis lobbying before the entry of giants from other sectors. In essence, the CPEAR is founded on the belief that it is time to move beyond the question of whether cannabis should be legalised to start having the conversation on how it should be regulated at the national level.

Freedman reiterated that having companies such as Altria and Molson Coors involved in the discussion on future cannabis regulations was in the best interest of consumers. The CPEAR included experts from a broad range of subjects with the purpose of facilitating thoughtful discussion and analysis of various policy questions arising from potential

federal cannabis legalisation, and the input of non-cannabis companies could be useful when considering the wide range of impacts cannabis regulation could have on areas ranging from public health to criminal justice reform.

“At its core, the Center of Excellence serves as a neutral forum where issue experts can engage in robust dialogue, address intersectional issues, and offer science-based justifications for public policy questions as complicated and diverse as taxation, state pre-emption, and youth use prevention,” Freedman said. “From the outset, the Coalition has emphasized the importance of having as many stakeholders at the table as possible, speaking to each other, to inform sensible and comprehensive federal cannabis policy.”

Pharma ‘embraces’ medical cannabis

Meanwhile pharmaceutical firms are already involved in lobbying on cannabis-related issues. Traditionally it was taken that pharma companies opposed legalisation as a threat to their vested interests.

The pharmaceuticals and health products industry in the US spends the most on lobbying efforts, with the sector independently racking up about \$306.23m in lobbying last year. This is because the US drug market is the largest in the world in terms of profitability, greatly aided by the high cost of prescription drugs. A survey conducted by an advocacy organisation in British Columbia revealed that 87% of surveyed therapeutic cannabis users gave up prescription medications, alcohol, or other drugs in favour of cannabis.

That prohibitionist position has seemingly shifted now with pharmaceutical firms embracing the idea of medical cannabis as inevitable but looking to keep such a regime restricted to resemble the current prescription pharmaceuticals framework.

One organisation lobbying with a similar objective is the Association of Cannabis Specialists (ACS). The ACS says it wants to prevent corporate interests from influencing federal decisions on cannabis. It does not seek to limit access for recreational users but believes that medical patients are uniquely vulnerable and require prescriptions from professionals.

“Essentially, we see the industry as really needing to come to terms with providing a medical product,” ACS founder and president and Harvard Medical School faculty member Dr Jordan Tishler told CBD-Intel. “[Cannabis companies] don’t have the

expertise or the credentials to provide medical information to patients. Yet they are doing exactly that sort of practicing without a license. This is not good for patients, nor for an industry that needs to grow and gain credibility. It's also a liability issue.”

Tishler believes the solution must be at the federal level and will take several elements to accomplish.

“The two elements most important are an actual prescription requirement and a prohibition on medical claims,” he said. “An actual prescription would ensure that patients get the care they need and also get the correct medicine at the dispensary. Similarly, prohibiting dispensaries from making medical claims would promote better care for patients who would then get their advice from knowledgeable clinicians.”

Overall the momentum for cannabis reform feels palpably more promising this year. During the 2020 November elections, [states such as New Jersey, Arizona, South Dakota, and Montana](#) all voted to legalise recreational cannabis. Legislators in [New York](#) reached a compromise on the same issue shortly after.

And as the dominoes of states continue to fall pro-legalisation, multi-billion dollar corporations are emerging with their own cannabis agendas in Washington, if only to avoid being left out of the conversation.

What This Means: Ultimately, there is no shortage of opinions and interest in how cannabis reform should look like; however, they're all in agreement that the time to decide is approaching.

The future is still not set in stone for national legalisation. However, as the government finds itself in one of those rare moments in politics when there's widespread public Democrat and Republican agreeance on a national issue, major players have begun signing cheques to ensure being present for negotiations.

For existing, state-licensed cannabis companies to secure their best interest is represented in Congress, it's more important than ever now for them to organise and unify around a central agenda. Otherwise, they risk having the nuance of their positions diluted or even overtaken by that of the potentially better funded newcomers from other industries – even if, for the moment, their positions on the large issues such as legalisation currently align.

– Jamie Valentino *CBD-Intel contributing writer*

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