

# Cannabis Industry Quarterly Update

Q2 2025

A quarterly update from Benesch's Cannabis Industry Group

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## Key Issues

### Movement on legalizing cannabis appears stalled on a federal level

The Trump administration's 2025 drug policy agenda [omits](#) cannabis rescheduling, despite earlier signals of support, instead prioritizing fentanyl, border security, and addiction treatment. This omission, coupled with a [stalled](#) DEA rescheduling process, has added to industry uncertainty and is frustrating reform advocates, especially as federal restrictions on interstate trade are [blamed](#) for fueling the illicit market. Separately, the DOJ's [decision](#) to stop defending DEA legal protections may accelerate cannabis research, and bipartisan [voices](#), including Sen. Fetterman and GOP Sen. Yaw, are pushing for federal legalization.

### States continue to push cannabis industry forward, though concerns remain

New York [launched](#) a mandatory training program for all cannabis industry workers to improve safety, compliance, and market stability, while also offering grants to businesses led by people with past cannabis convictions. Meanwhile, cannabis reform remains contentious nationwide: Virginia's governor [vetoed](#) adult-use sales for the second year, and [Ohio](#) lawmakers are attempting to roll back voter-approved legalization. Several states, including Kansas, Pennsylvania, and North Carolina, introduced new legalization bills with strong public support, while Michigan is [distributing](#) \$100 million in cannabis tax revenue to local communities.

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## Key Issues (continued)

### Despite claiming support, cannabis banking reforms under Trump are slipping away

The cannabis industry was [optimistic](#) about potential banking reforms under President Trump, citing his support for economic growth and states' rights as encouraging signs. However, Trump's appointment of DEA Chief, Derek S. Maltz, has turned those hopes into doubts. JPMorgan CEO Jamie Dimon [confirmed](#) the bank would likely serve the cannabis sector if federal law changes.

### Cannabis industry experiencing shock over Trump tariffs

Trump's [tariffs](#) are raising cannabis production costs by increasing prices on imported components, which is expected to drive consumers toward the illicit market. The cannabis industry [launched](#) a \$1 million ad campaign targeting Trump, urging federal rescheduling and criticizing Biden's inaction. Meanwhile, a [looming](#) \$3 billion cannabis debt cliff in 2026 threatens major operators unless federal reforms materialize. Other notable developments also include [DoorDash's](#) entry into THC/CBD delivery and BLAZE [launching](#) a no-code website builder for cannabis retailers.

### The Supreme Court steps in amid cannabis industry confusion

The Supreme Court [ruled](#) that a trucker fired after a positive THC test can sue a CBD company under RICO laws, citing alleged product mislabeling. Issues like this, and confusion over what's legal, are expected to continue as Trump's DEA nominee has [taken](#) a strong anti-cannabis stance, even linking cannabis use to mental health risks. Also, a Burlington dispensary, The Bern Gallery, is [offering](#) to pay fines for public cannabis use to protest Vermont's ban, though no one has claimed reimbursement yet.

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## Industry Regulations

### Federal

#### Trump's drug policy priorities exclude cannabis rescheduling in first-year agenda

The Trump administration's new drug policy priorities do not include cannabis rescheduling, despite prior campaign support. The focus is on combating fentanyl, securing borders, and expanding treatment and prevention efforts. While cannabis reform is absent, no new enforcement measures against cannabis were announced. Advocates see the omission as a missed opportunity, adding that uncertainty surrounds any future reform prospects.

*Related: [Cannabis signals from Trump growing increasingly murky](#)—Green Market Report*

*Source: Marijuana Moment*

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## Industry Regulations (continued)

### **N.Y. cannabis chief eyes \$1.5B in sales for 2025 as market stabilizes**

Felicia Reid, acting director of New York's Office of Cannabis Management (OCM), says the state's adult-use cannabis market could reach \$1.5 billion in sales in 2025, up from \$1 billion in 2024. Since taking over a troubled rollout, Reid has overseen the expansion to 343 licensed retailers, a crackdown on illicit sellers, and an increase in OCM staff. Despite lingering issues, including a lack of seed-to-sale tracking and pending grower applications, Reid stands by the state's equity-first approach, which prioritized justice-impacted businesses. She adds the state will slow cultivation approvals to prevent oversupply and stabilize the legal market.

*Source: MJBiz Daily*

### **DOGE cancels cannabis research grant focused on LGBTQ+, women's health**

The Department of Government Efficiency (DOGE) canceled a \$699,000 NIH grant for a study on cannabis use disorder risk among LGBTQ+ individuals and heterosexual women. The Ohio State University research aimed to explore daily cannabis use patterns and risk factors in marginalized groups. Experts say the move limits vital cannabis research while more costly agencies like the DEA remain untouched.

*Source: Marijuana Moment*

### **Federal ban on interstate cannabis trade fuels illicit market: Calif.**

A California state-commissioned [report](#) finds that the federal ban on interstate cannabis commerce strengthens the illicit market and undercuts legal cannabis businesses. The analysis, conducted by ERA Economics, shows that only about 40% of consumers buy from licensed retailers, with illicit operations exploiting cross-state trade to offer lower prices. The report concludes that legalizing interstate trade would stabilize prices and reduce illegal activity. Other challenges include unregulated hemp products, local bans on cannabis businesses, and regulatory burdens. While Governor Newsom supports legalization, federal restrictions and legal risks continue to limit the state's ability to enter interstate cannabis agreements.

*Source: Marijuana Moment*

### **DOJ shift could accelerate cannabis research by weakening DEA's legal protections**

The Department of Justice (DOJ) will no longer defend legal protections that shield administrative law judges (ALJs) from removal, a move that strengthens MMJ International Holdings' lawsuit against the DEA. MMJ claims the DEA has stalled its cannabis research application due to unconstitutional reliance on insulated ALJs. The DOJ's stance could force reforms in how the DEA handles cannabis approvals, potentially expediting research on treatments for conditions like Huntington's and multiple sclerosis. If MMJ prevails, the ruling may streamline federal cannabis oversight and accelerate clinical trials.

*Source: Cannabis Business Times*

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## Industry Regulations (continued)

### **Senator Fetterman launches petition urging federal cannabis legalization**

Senator John Fetterman (D-PA) is circulating a petition calling for federal cannabis legalization, emphasizing broad public support and potential benefits such as economic growth and criminal record expungement. His campaign email highlights Fetterman's continued support for legal cannabis, veterans, small businesses, and justice reform. While not the lead sponsor of cannabis legislation, he has backed bills like the Cannabis Administration and Opportunity Act. The petition is also a campaign tool to mobilize supporters and expand fundraising outreach.

Source: *Marijuana Moment*

### **Pa. GOP senator says cannabis prohibition is a disaster, supports legalization**

Pennsylvania Senator Gene Yaw called cannabis prohibition a "disaster" and said cannabis should be regulated like alcohol and tobacco. While he hasn't endorsed a specific legalization bill, he said there's growing GOP support for reform in the state. A recent poll found nearly 70% of Pennsylvania [voters](#) support legalization. Governor Josh Shapiro included legalization in his budget proposal, but has been criticized for not having a concrete legislative strategy, especially as lawmakers remain divided on the issue.

Source: *Marijuana Moment*

### **Russia releases American detained for alleged cannabis possession**

Russia released Kalob Byers, a 28-year-old American arrested in February at a Moscow airport for allegedly carrying cannabis-infused products. Reports are unclear on whether the items were CBD gummies or cannabis-laced marmalade, but Byers said they were prescribed by a U.S. doctor. His release follows the Trump administration's recent prisoner swap securing freedom for Marc Fogel, a U.S. medical cannabis patient jailed in Russia.

Related: [Trump administration secures release of American medical cannabis patient who was serving 14-year sentence in Russia](#)—*Marijuana Moment*

Source: *Marijuana Moment*

### **Cannabis rescheduling paused indefinitely after DEA judge cancels hearing**

The U.S. Drug Enforcement Administration's (DEA) rescheduling process for cannabis has been delayed indefinitely after Chief Administrative Law Judge John Mulrooney II canceled a key hearing scheduled for Jan. 2025. The decision follows a request from pro-rescheduling participants alleging bias against rescheduling by the DEA and its administrator. The delay comes amid political uncertainty, as President-elect Donald Trump's upcoming DEA appointee is expected to play a significant role in the rescheduling process. Critics argue the DEA's actions have corrupted the process and call for a fair hearing to move cannabis from Schedule 1 to Schedule 3 of the Controlled Substances Act.

Related: [Suspicious that DEA rigged rescheduling process fueled by court documents](#)—*MJBizDaily*

Source: *MJBiz Daily*

## Industry Regulations (continued)

### State

#### **New York launches mandatory cannabis industry workforce training program**



The state now requires all cannabis industry employees to complete a state-run "Responsible Workforce Training Program" within 30 days of being hired. The program includes online modules on product safety, labor standards, license education, and cultural competency. Workers must also complete additional employer-provided training specific to their job roles. Regulators say the goal is to ensure safety, compliance, and professionalism across the legal cannabis supply chain, and to stabilize and grow the New York's cannabis market after a slow rollout.

*Source: Marijuana Moment*

#### **Conn. law enforcement supports bill allowing stops, arrests for suspected cannabis DUIs**



Connecticut law enforcement officials have endorsed a bill permitting police to stop and arrest drivers suspected of smoking cannabis in their vehicles. The bill requires officers to both observe cannabis consumption and detect the smell of cannabis. However, critics argue that this could lead to racial profiling and point out the lack of a standardized cannabis sobriety test. Lawmakers like Representative Steve Stafstrom question the necessity of the bill, noting existing laws already allow officers to stop vehicles for various infractions, and cannabis industry advocates say the bill could unfairly target legal cannabis users.

*Source: Police 1*

#### **NYC Cannabis Chief Dasheeda Dawson resigns amid allegations, prompts investigation**



Dawson, New York City's cannabis chief, resigned on March 29, 2025, after leading the city's adult-use cannabis program since Oct. 2022. Dawson, praised for her role in advancing social equity, said she plans next to broaden her impact on state and federal cannabis policy. Her resignation follows a New York City investigation into allegations of misconduct involving a woman cannabis executive, which Dawson denies. Despite her departure, Dawson will remain active as chair of the Cannabis Regulators of Color Coalition and with her cannabis brand, The WeedHead & Co.

*Source: MJBiz Daily*

#### **Va. governor vetoes adult-use cannabis sales bill for second consecutive year**



Governor Glenn Youngkin vetoed a bill on Mar. 24 aimed at establishing licensed adult-use cannabis dispensaries in the state. This marks his second consecutive veto of such legislation, citing concerns over public health and safety, including potential increases in crime, mental health issues, and road accidents. Despite widespread support for cannabis sales, with 60% of Virginians in favor, Youngkin's veto prevents Virginians from purchasing regulated, lab-tested cannabis legally, and has sparked criticism from industry advocates who argue that it leaves consumers reliant on unregulated products.

*Source: Cannabis Business Times*

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## Industry Regulations (continued)

### Pa. house passes bill to tighten medical cannabis oversight, lab testing



The state's House passed a [bill](#) in a 194-8 vote to strengthen oversight of the state's medical cannabis program. The legislation would enforce stricter lab testing, independent audits and improved monitoring of product potency and purity. The bill, from House Health Committee Chairman Dan Frankel, [responds](#) to concerns over inaccurate labeling and contamination issues seen in other states and now moves to the Senate for consideration.

Source: *Marijuana Moment*

### North Carolina lawmaker introduces bill to legalize adult-use cannabis



North Carolina Representative Jordan Lopez introduced [House Bill 413](#), the Cannabis Legalization and Reinvestment Act, aiming to legalize adult-use cannabis in the state. The bill proposes legal possession of up to 2 ounces and six plants, a 30% state excise tax, and a 2% municipal tax. It also prioritizes social equity by giving historically impacted applicants a business license head start and establishing an Office of Community Reinvestment. While the bill is unlikely to pass due to previous opposition to medical cannabis, Lopez says strong public support for the bill could help get it passed.

Source: *MJBiz Daily*

### Ohio lawmakers want to roll back voter-approved cannabis law



State lawmakers have introduced bills to restrict legal cannabis products, impose new criminal penalties, and redirect cannabis tax revenue away from social equity programs. Advocates say the proposals undermine the voter-approved 2023 legalization law and could lead to increased arrests. The Senate has already passed SB 56, while HB 160 is moving through the House, with both bills limiting home cultivation and imposing THC caps. Cat Packer, Drug Policy Alliance's director of drug markets and legal regulation, said cannabis users in the state purchasing from the licensed and regulated market, and paying cannabis taxes, could inadvertently be paying for the drug's recriminalization.

Source: *Marijuana Moment*

### Pa. bill would shield medical cannabis patients from DUI charges without proof of impairment



Representative Chris Rabb reintroduced legislation to prevent medical cannabis patients in Pennsylvania from being charged with DUI based solely on the presence of cannabis metabolites in their system. The bill aims to ensure that only drivers who are actually impaired face penalties and would not apply to illegal cannabis users or holders of commercial driver's licenses. Rabb says current law punishes legal patients even weeks after consumption, despite no evidence of impairment, and this legislation will "set things right."

Source: *Marijuana Moment*

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## Industry Regulations (continued)

### Calif. streamlines cannabis cultivation rules to “cut red tape,” “boost safety”



The California Department of Cannabis Control (DCC) has introduced a regulatory reform package aimed at simplifying cultivation rules and improving consumer safety. Key changes include repealing duplicative pesticide, energy, air quality, and pest management requirements, reducing overlap with other agencies. New sanitation standards will now apply to all licensees handling unpackaged cannabis, including tool sterilization and hygiene protocols. The DCC says these reforms will reduce confusion, ease compliance, and maintain oversight while supporting a more efficient legal cannabis industry.

Source: *Cannabis Business Times*

### Cannabis legislation fails as Kansas lawmakers refuse hearings



Kansas lawmakers declined to advance legislation on medical marijuana, effectively halting progress on the issue for at least another year. Despite public support and advocacy efforts, Republican leaders in the state legislature did not schedule hearings or votes on proposed bills, citing concerns over potential misuse and the experiences of neighboring states like Oklahoma. As a result, Kansas remains among the minority of states without legalized medical marijuana.

Source: *Topeka Capital-Journal*

### New York launches cannabis business grant program for owners with past convictions



The state is launching a \$5 million grant program to support cannabis dispensaries operated by individuals impacted by past cannabis convictions. As of Mar. 2025, licensed Conditional Adult-Use Retail Dispensary (CAURD) businesses can apply for grants of \$10,000 to \$30,000 to cover eligible expenses. These include rent, security systems, insurance, and other startup or compliance costs. Grants will be awarded on a first-come, first-served basis until funds are depleted.

Source: *Marijuana Moment*

### Illinois, Maine consider legal cannabis consumption at events, venues



Illinois lawmakers introduced two bills, [House Bill 3061](#) and [Senate Bill 1772](#), that would allow municipalities to license venues and events for on-site cannabis consumption, including cafes, galleries, and festivals. The proposals also permit cannabis accessory sales and require ventilation standards for indoor use. Outdoor consumption must be shielded from public view. Similarly, Maine's cannabis regulators are pushing for legislation to allow “cannabis hospitality establishments” like lounges and trade shows, nearly a decade after adult-use legalization. Prior attempts in Maine were blocked during law rewrites in 2017-2018.

Source: *Marijuana Moment*

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**Industry Regulations** (continued)

**Michigan to distribute \$100M in cannabis tax revenue to cities, counties, tribes**



Michigan will distribute nearly \$100 million in cannabis excise tax revenue to 302 communities and tribes, with each receiving \$58,200 per licensed retail store or microbusiness. This year’s payout, an increase from last year’s \$87 million, includes tribal governments for the first time, sharing \$931,000. Detroit and Wayne County lead recipients with \$3.1 million and \$5 million, respectively. Local governments can use the funds at their discretion.

*Source: Newsweek*

**Texas lawmakers weighing over 20 cannabis bills, including legalization, decriminalization, hemp ban**



Lawmakers have introduced at least 20 cannabis-related bills during the current legislative session, addressing adult-use legalization, decriminalization, medical cannabis expansion and restrictions on hemp-derived THC products. Key proposals include expanding Texas’ medical cannabis program (HB 46), which passed the House, which would authorize the Texas Department of Public Safety to issue additional medical cannabis licenses, SB3 which would ban hemp derived THC consumables, and the House’s subcommittee re-write of SB3, which would regulate consumables derived from Hemp. Lieutenant Governor. Dan Patrick is pushing to prohibit intoxicating hemp products, despite polling showing most Texans support broader cannabis reform.

*Source: Marijuana Moment*

**RFK Jr. says cannabis is harmful but supports research through state legalization**

HHS Secretary Robert F. Kennedy Jr. said cannabis can have “catastrophic impacts” but acknowledged state-level legalization allows critical research into its effects. He cited concerns from personal experience in recovery but emphasized the harms of criminalization, noting that a third of U.S. prisoners were once jailed over cannabis offenses. Kennedy said federal policy should follow scientific findings and, despite past support for legalization, noted he would “follow the science on the harms of cannabis.”

*Source: Marijuana Moment*

**Governors in four states propose major cannabis tax hikes**



Governors in Maine, Maryland, Michigan, and Ohio are proposing significant tax increases on legal cannabis, which experts say raises concerns about legal market competitiveness and consumer behavior. Maine seeks to raise its cannabis sales tax from 10% to 14% by 2026, while Maryland plans a jump from 9% to 15% and includes a \$5 million cannabis business incubator. Michigan proposes a new wholesale tax targeting cannabis operators, aiming to generate \$470 million for infrastructure. Ohio Governor Mike DeWine wants to double the current 10% tax to 20%, exceeding an earlier legislative proposal of 15%.

*Source: Marijuana Moment*

## Industry Regulations (continued)

### Delaware advances adult-use cannabis market with licensing, equity programs



The state is progressing with its adult-use cannabis market, issuing 125 licenses following a competitive application and lottery process. The state enacted key laws in 2023-2024, created the Office of the Cannabis Commissioner (OMC), and raised \$4 million from medical market conversion fees to fund social equity grants. A total of 1,271 applications were submitted, with recipients given 18 months to launch operations, and the OMC partnered with other agencies to build a seed-to-sale system and tax framework, while also conducting community outreach and workshops.

*Related: [Delaware Receives FBI Code; Adult-Use Cannabis Sales 'Partially' a Go](#)—Cannabis Business Times*

*Source: Cannabis Business Times*

### Teen Cannabis use declines in states with legalized adult-use sales

A Cannabis Policy Project report shows youth cannabis use has declined in 19 of 21 states with before-and-after legalization data. Nationwide studies from the CDC and Monitoring the Future also confirm significant drops in teen cannabis use between 2011 and 2023/2024. In Colorado, high school cannabis use fell 42% since legalization, while Washington saw a 58% drop among 10th graders and a 61% drop among 8th graders. Experts attribute the decline to regulated markets replacing the illicit trade and restricting youth access, which challenges the usual claims of adult-use legalization increasing teen cannabis consumption.

*Source: Cannabis Business Times*

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## Hemp

### Organigram acquires Collective Project to enter U.S. hemp-derived THC beverage market

Organigram Global acquired Ontario-based THC beverage maker Collective Project for CA\$6.2 million upfront, with potential earnouts pushing the deal to CA\$30 million. The acquisition provides Organigram with its first commercial entry into the U.S. hemp-derived THC market and expands its footprint in Canada's cannabis beverage segment. The deal ranks among the industry's most valuable recent acquisitions amid a broader M&A slowdown. Collective Project began U.S. sales in late 2024 and is now active in 37 states.

*Source: MJBiz Daily*

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## Payments

### **IG says Mass. Cannabis Commission failed to collect \$1.7M in fees**

The Massachusetts Cannabis Control Commission failed to collect an estimated \$1.7 million in fees between August 2022 and August 2024, according to the state inspector general. This includes \$550,000 in missed prorated license fees and up to \$1.2 million in provisional licensing fees. The report cited operational failures but found no evidence of fraud. The CCC has since started recovering some funds and plans software upgrades to prevent future lapses, but \$170,000 in prorated fees remains uncollected, and some may be unrecoverable due to business closures.

*Source: Mass Live*

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### **JPMorgan CEO says bank likely to serve cannabis industry if federal law changes**

CEO Jamie Dimon said the bank “probably would” work with cannabis businesses if federal law permits it, citing current legal barriers. Speaking on a company podcast, Dimon emphasized Chase avoids cannabis clients solely due to federal prohibition. The SAFER Banking Act, which would protect banks servicing legal cannabis businesses, has stalled in Congress despite bipartisan interest and Trump’s recent support. Dimon previously told lawmakers he supports the bill’s intent but wants to see specific language.

*Source: Marijuana Moment*

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## General Cannabis Business Trends

### **Trump tariffs to hike U.S. cannabis prices, fuel illicit market**

New tariffs imposed by President Trump are set to raise prices on cannabis products, as the industry relies heavily on imported components from Asia, especially China. Items like vape hardware, packaging and specialized glass are now more expensive, with most companies unable to absorb the increased costs. Cannabis stocks dropped 5%-10% following the announcement. Industry leaders warn that the higher prices will push more consumers toward the illicit market and further strain legal businesses already operating on thin margins.

*Source: Reuters*

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### **Cannabis industry launches \$1M ad campaign targeting Trump for rescheduling reform**

The U.S. cannabis industry is launching a \$1 million ad campaign urging President Trump to support federal cannabis rescheduling. The ads criticize President Biden for his failure to push cannabis reform and claim that Canada’s cannabis policies harm U.S. companies. The campaign, funded by the American Rights and Reform PAC, targets Washington, D.C., and West Palm Beach, aiming to appeal to Trump’s “America First” rhetoric.

*Source: Business of Cannabis*

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## General Cannabis Business Trends (continued)

### **BLAZE launches BLAZE Sites website builder for cannabis retailers**

The company said it is rolling out a content management system (CMS) designed for cannabis retailers to build dynamic, location-specific websites without needing costly web development. The platform offers an intuitive drag-and-drop builder, AI-powered content assistance, and built-in SEO to boost online visibility. It also includes hosting, security, and compliance features, making it easy for dispensaries to manage their online presence across multiple locations.

*Source: BLAZE*

### **Cannabis M&A activity dropped 33% in 2024 amid tight cash, changing strategies**

Mergers and acquisitions in the cannabis industry fell by 33% in 2024, totaling \$1.169 billion, due to tight cash flow, low stock prices and shifting market strategies. Companies are moving away from expansive multi-state operations to focusing on concentrated, profitable markets, making acquisitions less attractive. Additionally, difficulties in financing deals, such as reliance on debt and low equity value, are restraining activity, but the outlook remains cautious as industry revenues stagnate and M&A consolidation slows. Smaller intrastate consolidations are occurring in states like Missouri and Michigan, while large, multi-state acquisitions face integration challenges.

*Source: MJBiz Daily*

### **Edible Brand enters hemp-derived THC market with e-commerce platform**

The parent company of Edible Arrangements launched edibles.com, an e-commerce marketplace for hemp-derived THC products. The platform, which debuted in Texas and will expand to Florida and Georgia, offering products from brands like Cann and Wana Brands. Edibles.com also plans to open a flagship store in Atlanta, with potential franchising.

*Source: MJBiz Daily*

### **Advocate claims Trump White House open to cannabis legalization proposal**

Advocate Howard Wooldrige says a Trump White House staffer invited him to submit a proposal backing federal cannabis legalization during a conservative strategy meeting. The proposal will focus on political advantages and states' rights, and Wooldrige said he'll get help from GOP cannabis lobbyist Don Murphy. Trump has previously supported cannabis rescheduling and industry banking access but hasn't addressed the issue recently. Approval of the proposal could lead to a meeting at the White House. This comes as Trump nominates officials with anti-cannabis views to key roles, signaling mixed messaging on drug policy.

*Source: Marijuana Moment*

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## General Cannabis Business Trends (continued)

### **Rubicon Organics acquiring MediPharm Labs' cultivation facility for \$4.5M**

Rubicon Organics will buy a 47,500-square-foot indoor cannabis cultivation facility in Hope, British Columbia from MediPharm Labs for \$4.5 million. The acquisition aims to boost Rubicon's premium cannabis production capacity and support its growth plans. MediPharm Labs, which halted operations at the site in 2024, is selling the facility to streamline operations and strengthen its debt-free balance sheet. The transaction, pending due diligence and board approval, is expected to close in Q2 2025.

*Source: Marijuana Moment*

### **NBA Champion Iman Shumpert signs "groundbreaking" cannabis partnership with Glenmere Farms**

Iman Shumpert signed a multimillion-dollar partnership with Glenmere Farms to launch TSA APPROVED, a wellness-focused cannabis brand. The collaboration with Glenmere's founder, scientist Dr. Sha-Ron Pierre-Kovler, aims to combine cultural influence with pharmaceutical-grade cannabis innovation. The brand promotes cannabis as a tool for recovery and wellness, especially in the wake of the NBA's relaxed stance on THC, with plans for the venture to expand into therapeutic retreats and wellness centers for athletes through Vet Evolution, a JV with Shumpert, Pierre-Kovler, and advocate Bianca Stewart.

*Source: Cannabis Business Times*

### **Cannabis lobbying groups merge to form Cannabis Roundtable**

The National Cannabis Roundtable and U.S. Cannabis Council have merged to form the U.S. Cannabis Roundtable, a unified lobbying group representing major multistate and single-state cannabis operators. The move came just before President-elect Donald Trump's second inauguration, following his stated support for cannabis reform during his campaign, and industry leaders say 2025 is a critical year for advancing cannabis policy. The group will push for federal cannabis rescheduling, passage of the SAFER Banking Act and access to U.S. stock exchanges for cannabis companies.

*Source: MJBiz Daily*

### **Cannabis debt cliff to hit nearly \$3B in 2026, threatens industry shake-up**

Up to \$3 billion in debt is set to mature by the end of 2026 for major U.S. cannabis companies, raising concerns about a looming financial reckoning. Firms like Curaleaf, Cresco Labs, Trulieve, Ayr Wellness, and Verano face hundreds of millions in loan obligations, with limited refinancing options amid regulatory uncertainty and failed reform efforts. Many operators are betting on cannabis' federal rescheduling to Schedule 3, which would ease tax burdens under 280E, but that remains unresolved and analysts warn the industry's reliance on political change is risky and unsustainable. Without reforms, some companies will likely need to restructure, sell assets, or cede control to lenders.

*Source: MJBiz Daily*

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## General Cannabis Business Trends (continued)

### **DoorDash adds hemp-derived THC, CBD products for delivery in select states**

DoorDash now offers hemp-derived THC and CBD products for delivery in select legal markets, partnering with merchants like DashMart, Total Wine & More, and ABC Fine Wine & Spirits. Eligible users can order items such as gummies, beverages, and topicals via a dedicated CBD/THC tab in the app. Age verification measures are in place, mirroring those used for alcohol delivery. The move follows growing consumer interest, with a Harris Poll showing 75% of adults are considering THC/CBD products to de-stress in 2025. Top-selling items during DoorDash's pilot included gummies, drinks, and mints.

*Source: Cannabis Business Times*

### **Agrify sells cultivation business to former CEO's affiliate, Cannabis Business Times**

The company sold its cultivation business to CP Acquisitions, an entity tied to former CEO Raymond Chang. The deal includes all cultivation-related assets, including vertical farming units, turnkey solutions, and software, and transfers associated liabilities to CP. Agrify says the sale enables a sharper focus on its THC beverage business, including its flagship product, SeÒorita, a hemp-derived Delta-9 THC margarita.

*Source: Cannabis Business Times*

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## Regulation/Enforcement

### **Burlington dispensary offers to cover fines for public cannabis use**

The Bern Gallery in Burlington will pay fines for anyone ticketed for smoking cannabis in public, a practice still illegal despite Vermont's legalization of recreational cannabis. The fines range from \$100 for a first offense to \$500 for repeated violations. The dispensary calls the rule outdated and is using the initiative to push for reform, citing New York's more permissive laws. So far, no one has requested reimbursement, but the policy has drawn community support. The offer excludes tickets issued in vehicles or on private property.

*Source: NBC*

### **Supreme Court supports trucker fired after THC test, allows RICO suit**

The U.S. Supreme Court ruled 5-4 that trucker Douglas Horn can proceed with a RICO lawsuit against Medical Cannabis after being fired for a positive THC test allegedly caused by a mislabeled CBD product. The company claimed the product had "0% THC," but Horn tested positive and lost his job. The Court found Horn could seek triple damages under RICO for economic harm, sending the case back to lower courts.

*Related: [Congressional committees discuss cannabis-impaired driving, with trucking industry pushing for hair follicle testing](#)—Marijuana Moment*

*Source: Marijuana Moment*

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**Regulation/Enforcement** (continued)

**Oregon spends \$46M on black market cannabis enforcement, can't say if it's money well spent**

Oregon has allocated \$46 million over seven years to combat the illicit cannabis market, funding law enforcement and nonprofit efforts, though officials can't determine if the program has significantly reduced the black market. While The Illegal Marijuana Market Enforcement Grant has led to numerous cannabis seizures and improvements in public safety, and has collected valuable black market data, there's still no real insights into the market's scale and drivers. Experts suggest that a more comprehensive analysis, including input from legal cannabis businesses and consumers, is needed to effectively address the issue, though the program remains popular among local law enforcement and could continue to receive funding.

*Source: Salem Reporter*

**Federal court rejects claim that cannabis seeds aren't defined under the Cannabis Act**

A Federal Court judge upheld the seizure of cannabis seeds by Canada Border Services Agency (CBSA) from a man returning from a cannabis expo in Denver. The man argued the seeds, which he claimed lacked THC, were actually hemp seeds, but the court found that the seeds were reasonably classified as cannabis. The judge dismissed the argument that the Cannabis Act does not define cannabis seeds as cannabis, affirming that both cannabis and hemp are considered cannabis under the law.

*Source: Strattcann*

**Trump's DEA pushes anti-cannabis stance, links cannabis to suicide, schizophrenia**

Trump picked Terrance Cole, a longtime DEA veteran and Va's top public safety official, to lead the DEA. Cole has strongly opposed cannabis use, publicly posting anti-cannabis rhetoric and linking it to suicide, schizophrenia, and other health risks. If confirmed, he would oversee the cannabis rescheduling process initiated under Biden, but his appointment signals a likely hardline stance on cannabis at the federal level despite broader bipartisan momentum for reform.

*Source: Marijuana Moment*

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