

California Lawmaker Unveils Bill To Legalize Direct-To-Consumer Marijuana Sales Nationwide

[A.J. Herrington](#)

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A California lawmaker on Wednesday introduced a federal bill that would allow small, licensed cannabis operators to sell and ship their products directly to consumers, including across state lines. Known as the Small and Homestead Independent Producers (SHIP) Act, the legislation was introduced in the U.S. House of Representatives on Wednesday by Democratic Rep. Jared Huffman of California. If passed, the [SHIP Act](#) would allow small cannabis farmers to send marijuana purchases to customers through the mail, including across state lines to consumers in other states with legal cannabis.

Huffman represents California's 2nd Congressional District, which includes Mendocino, Humboldt and Trinity Counties, collectively known as the famed Emerald Triangle marijuana growing region that has exported illicit cannabis across the country for decades. Many cannabis growers in the area, most of whom operate on small, family-run farms, have struggled to gain the necessary licensing to participate in California's regulated cannabis market, which was created with the passage of Proposition 64 in 2016. Independent cultivators cite strict licensing regulations, exorbitant fees and competition from deep-pocketed corporations as barriers to success in the regulated market.

Each State With Legal Marijuana Has Its Own Market

Under the continuing federal prohibition of marijuana, cannabis markets in states with legal weed are confined within the borders of each state, with transfers across state lines not allowed. Huffman noted that when marijuana is eventually legalized at the national level, small operators will face even more competition with the advent of [interstate cannabis commerce](#).

"Too often, the federal government falls behind, and the gears of Congress work too slowly to keep up with the pace of a changing economy," Huffman said in a statement about the new legislation. "Under my bill, folks in our state will be able to ship their products straight to consumers when the antiquated federal prohibition on cannabis is finally repealed. As large, commercial cannabis operations squeeze out local producers from the market, this legislation is critical for farmers to survive and expand their small businesses. We cannot leave our smallest family farmers behind under full legalization."

Huffman's proposal is already being hailed by independent licensed cannabis operators and the groups representing them in his home state of California. Allowing them to market directly to consumers, they argue, would give them a way to connect directly with those looking for craft cannabis. The bill has already received the endorsement of the Origins Council, Humboldt

Country Growers Alliance, F.A.R.M.S. Inc, Washington Sun & Craft Growers Association, Vermont Growers Association, Maine Craft Cannabis Association, Farm Bug Co-Op, Big Sur Farmers Association, Nevada County Cannabis Alliance, Mendocino Cannabis Alliance, Trinity County Agricultural Alliance and the Sonoma County Growers Alliance.

“Origins Council is engaged with small cannabis producer associations across the nation, and through our dialogue, it has become increasingly clear that in order to achieve an equitable regulated market, small-batch producers need direct to consumer sales pathways,” Genine Coleman, executive director of Origins Council, writes in an email. “Consumers and patients deserve access to the high-quality artisanal products of craft producers, and the SHIP Act would ensure this access.”

Protecting Small Businesses With Federal Legalization

Cassia Furman, an equity partner and executive board member of the cannabis law firm Vicente Sederberg LLP, says that Huffman’s bill adds to the conversation surrounding legalizing cannabis at the federal level. Some lawmakers believe marijuana policy reform should take the form of the Marijuana Opportunity Reinvestment and Expungement ([MORE](#)) Act, which includes justice reform measures and provisions to ensure all entrepreneurs have a path to ownership in the legal cannabis industry. Others would prefer a more measured approach, starting with passage of the Secure and Fair Enforcement ([SAFE](#)) Banking Act, which would allow legal marijuana companies easier access to basic financial services.

“The introduction of the SHIP Act highlights critical conversations playing out in the nation’s capital and legacy cannabis states as to the future of post-federal legalization cannabis, namely how to create an equitable marketplace in which small businesses and marginalized individuals have a meaningful opportunity to participate – opportunities that have proved elusive in many state-legal cannabis regimes,” Furman writes in an email.

Furman adds that the introduction of the SHIP Act follows the recent passage of legislation in California and a similar 2019 bill in Oregon that would allow governors of the states to enter into trade agreements with other U.S. states that have legalized cannabis to allow for commerce across state lines.

“Both the state and federal legislative efforts anticipate the post-federal legalization future and aim to advance the interests of small, craft farmers who have long formed the backbone of West Coast cannabis culture but are struggling to survive under burdensome, tax-heavy state cannabis regimes,” she writes.