

# GOP Congressional Committee Lifts D.C. Cannabis Sales Ban, Introduces Cannabis Banking Protections

## GOP House Committee Unveils Spending Bill with Key Cannabis Reforms

A GOP House committee has introduced a comprehensive spending bill for the 2025 fiscal year that excludes a long-standing rider preventing Washington, D.C., from legalizing recreational marijuana sales. This move marks a significant change in federal cannabis policy and is accompanied by new protections for banks working with state-legal cannabis businesses. The House Appropriations Financial Services and General Government (FSGG) Subcommittee posted the measure on Tuesday, with a markup session scheduled for Wednesday.

### New Leadership Driving Change

The cannabis-related changes reflect the influence of the subcommittee's new leadership. Rep. Dave Joyce (R-OH), co-chair of the Congressional Cannabis Caucus and lead sponsor of bipartisan marijuana banking legislation, is now chairing the subcommittee. His leadership is pivotal in the shift towards more progressive cannabis policies.

### Historical Ban and Workarounds

For years, Washington, D.C., has been barred from using local tax dollars to implement a commercial cannabis market due to a rider from Rep. Andy Harris (R-MD). Despite numerous attempts by lawmakers to remove this prohibition, it remained intact. The current exclusion of the provision from the base bill will require Harris or other supporters to reintroduce it via an amendment.

President Joe Biden has consistently maintained the D.C. ban in his budget proposals, making its removal by a GOP-controlled committee particularly noteworthy.

“As subcommittee chairman, I ensure the provisions in this bill only take strides to make our communities safer,” Joyce told Marijuana Moment on Tuesday. “I appreciate that a few of my colleagues have concerns with the safety of readily accessible cannabis products—I share these, but blocking their regulation only exacerbates these issues.”

In response to the congressional blockade, lawmakers in D.C. have allowed residents to self-certify as medical marijuana patients, though this workaround has not fully addressed local frustrations.

### Banking Protections for Cannabis Businesses

The newly introduced FSGG legislation also includes provisions to prevent federal regulators from penalizing financial institutions that work with state-licensed marijuana and hemp businesses. Section 134 of the bill specifies that funds cannot be used to penalize financial institutions solely for providing services to businesses handling hemp or marijuana products in compliance with state, territorial, or tribal laws.

These protections, while significant, are less comprehensive than those proposed in the standalone Secure and Fair Enforcement (SAFE) Banking Act sponsored by Joyce. The restrictions in the spending bill apply only to agencies under FSGG jurisdiction and are limited to a single fiscal year unless extended.

### **Addressing the Cash-Based Cannabis Economy**

“Forcing cannabis businesses to operate in all cash is a magnet for violent crime,” Joyce stated. “My legislation remedies these issues by further safeguarding the safe, adult use of cannabis and increasing the safety of cannabis businesses and their employees.”

### **Senate Prospects and Historical Context**

Senate Democratic leadership has indicated their intent to advance their version of the banking bill this session, though the timeline remains unclear.

In past sessions, the same Appropriations subcommittee, under Democratic control, also attempted to omit the D.C. cannabis sales ban and included banking protections in the fiscal year 2022 spending bill, but these measures did not make it into the final package.

The proposed changes in the 2025 spending bill represent a significant step forward for cannabis reform at the federal level, potentially paving the way for broader acceptance and regulation of the industry. The developments in the House Appropriations FSGG Subcommittee reflect a growing recognition of the need to modernize cannabis policy and address the challenges faced by businesses and communities.

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