

# A Major Turn in U.S. Drug Laws: Cannabis Rescheduling, Its Path Forward, Congressional Role, and What It Means for Psychedelics

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Major policy changes rarely happen overnight, especially on contentious issues like drug classification. On December 18, 2025, President Donald Trump issued an executive order for the U.S. Attorney General to expedite cannabis rescheduling from Schedule I to III under the Controlled Substances Act (CSA), the law that regulates controlled drugs<sup>[1]</sup>. This authority comes from the CSA, which establishes the legal framework for drug scheduling and allows the executive branch to initiate rescheduling through agencies. The order restarts a process that stalled under the prior administration, potentially transforming how cannabis is viewed nationwide. It directs Attorney General Pam Bondi to complete rulemaking quickly, including a shortened 30-day public comment period. This would finally recognize cannabis as having real medical benefits and less risk of abuse. This change comes as public opinion now strongly favors reform. Polls show more than two-thirds of Americans support legalization, and state-level cannabis industries rake in billions while facing federal barriers. This move addresses criticism of cannabis's Schedule I status, which puts it with drugs deemed to have no medical value and high abuse potential<sup>[2]</sup>. Moving it to Schedule III aligns it with substances like ketamine, anabolic steroids, and codeine combinations, which have recognized medical uses and looser rules<sup>[3]</sup>. But what does this mean in practice? How did this happen without Congress? And what could this signal for other substances, such as psilocybin or MDMA, now showing potential in therapy?

## The Roots of the Controlled Substances Act and Why Cannabis Got Stuck There

Understanding this rescheduling requires knowing the history of the Controlled Substances Act, passed in 1970 as part of President Nixon's "War on Drugs"<sup>[4]</sup>. The CSA groups drugs into five schedules by factors like addiction risk, medical value, and safety. Schedule I is the most restrictive: substances here have no accepted U.S. medical use and a high potential for abuse, so they're off-limits except for tightly controlled research. Schedules II through V cover substances with declining risks; Schedule III includes those with moderate abuse risk and recognized medical use<sup>[5]</sup>.

Cannabis was placed in Schedule I from the start, more due to politics and culture than science. In the 1960s and 1970s, marijuana was tied to countercultures and minority groups, making it a regulatory target<sup>[6]</sup>. The Schedule I label stayed, even as early research showed benefits for conditions like glaucoma or chemotherapy-induced nausea. For years, this classification made research a nightmare, requiring special DEA approval and constant bureaucracy. Meanwhile, states diverged: California began medical cannabis in 1996; by 2025, 38 states had medical programs, and 24 also allowed recreational use. The industry now pulls in over \$30 billion annually, but federally, it's still illegal, causing issues such as a lack of banking and steep IRS Section 280E taxes that block deductions for Schedule I businesses<sup>[7]</sup>.

## **How We Got to This Point: The Timeline of Rescheduling Push**

This recent rescheduling effort has a longer history. It began in October 2022, when President Joe Biden asked the Department of Health and Human Services (HHS) and the Attorney General to reexamine marijuana's scheduling based on scientific and medical considerations<sup>[8]</sup>. This directive responded to increasing calls from activists, researchers, and some conservatives who recognized economic benefits.

In August 2023, HHS (Department of Health and Human Services) wrapped up its review. At that point, they decided cannabis does have legit medical uses—for chronic pain, epilepsy, multiple sclerosis (MS), you name it—and its abuse risk isn't as bad as Schedule I suggests. They suggested bumping it to Schedule III, a first for the feds after years of ignoring the evidence<sup>[8]</sup>. After HHS's recommendation, the ball then went to the Drug Enforcement Administration (DEA), which handles scheduling.

In May 2024, the DEA published a proposed rule to reschedule cannabis, prompting a comment period with almost 43,000 responses, from industry support to anti-drug concerns. Critics worried about youth access and more impaired driving. Proponents argued that rescheduling would enable better-regulated markets and enhanced public safety, citing state regulations and education campaigns as federal models. The DEA set hearings for December 2024 to resolve disputes, but these stalled amid political shifts and internal debates.

Trump's December 18, 2025, executive order revitalized the process. It directs the Attorney General to complete rulemaking as quickly as possible, in compliance with legal requirements<sup>[9]</sup>. The order emphasizes advancing research on medical cannabis and CBD, along with addressing hemp issues.

Notably, the public comment period was reduced from 60 days to just 30, expediting proceedings, though legal challenges from opponents are anticipated<sup>[8]</sup>. This order marks a shift from Trump's earlier, more cautious stance. That shift is likely influenced by economic considerations and bipartisan public opinion.

## **The Mechanics: How Rescheduling Happened Administratively**

Rescheduling via the CSA is mostly a bureaucratic thing; no need for a full-blown law from Congress. It kicks off with a petition to the Drug Enforcement Administration (DEA)—from advocates or experts—or the agency can start it itself, or at the Department of Health and Human Services (HHS), or at the president's urging<sup>[4]</sup>. At the heart of this process is the HHS's eight-factor analysis, which provides a structured framework for review. These factors include the actual or relative potential for abuse, scientific evidence of its pharmacological effect, the state of current scientific knowledge regarding the substance, its history and current pattern of abuse, the scope, duration, and significance of abuse, what, if any, risk there is to public health, its psychic or physiological dependence liability, and whether the substance is an immediate precursor of a substance already controlled under the CSA. HHS conducts this deep dive into these eight factors, drawing on input from the Food and Drug Administration (FDA) and the National Institute on Drug Abuse (NIDA).

If the Department of Health and Human Services (HHS) decides to move forward, it will conduct a deep dive into these eight factors, drawing on input from the Food and Drug Administration (FDA) and the National Institute on Drug Abuse (NIDA). That means announcing it publicly, getting feedback, and maybe hearings for hot-button stuff<sup>[10]</sup>. After weighing in on comments, for cannabis,

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Biden's HHS review provided scientific grounds, and the 2024 DEA proposal made it official. Trump's order instructed the AG (who oversees the DEA) to prioritize action [8]. Presidents can't reschedule directly, but they can prompt agencies—as Obama did for research and Biden did for review.

Key point: Congress isn't required for this. The CSA gives the Attorney General (via the DEA) the power to adjust based on new information, without a vote. But lawmakers could jump in to stop it or push further, for example, by descheduling it altogether in bills such as the Cannabis Administration and Opportunity Act. Trump's order does nod to working with Congress on hemp regulations, like THC caps, so there might be some legislative tie-ins elsewhere. However, it's important to note that moving cannabis to Schedule III would primarily ease taxes and research barriers. Federal criminal penalties, such as those related to possession, distribution, or online sales across state lines, remain largely intact, meaning users and businesses may still face legal challenges. Enforcement priorities could shift, focusing more on illegal operations that target youth or involve interstate trafficking, while reducing the focus on medical and regulated adult use. This narrow scope of relief should be acknowledged to temper expectations and project a balanced analysis.

Once done, rescheduling would loosen research restrictions, letting schools and drug companies study without the Schedule I hassle. It'd also scrap those 280E tax hits, saving the industry tons of money. A study from the Journal of the American Medical Association reported that after substances like MDMA and LSD were reclassified, there was a 50% increase in research publications, highlighting the potential boom in studies once cannabis is reclassified. Still, it wouldn't make recreational federal-legal; it'd stay regulated, with state ops in a weird limbo. State-legal cannabis businesses and users could benefit

from reduced federal tax burdens and increased research opportunities, but they would continue to face challenges due to the federal status of cannabis. Risks remain for businesses operating legally under state law yet facing possible federal enforcement actions, restricted banking access, and obstacles in interstate commerce. Users might also encounter conflicts between state and federal law, especially when traveling across state lines or engaging with federal jurisdictions.

### **Looking Ahead: Implications for Psychedelic Substances.**

The experience with cannabis may serve as a model for other Schedule I substances, particularly psychedelics such as psilocybin, MDMA, or LSD. These compounds have long been dismissed as recreational or countercultural drugs, but recent research indicates they may have therapeutic applications, such as for PTSD, depression, anxiety, and addiction, with psilocybin therapy showing high remission rates in certain cases of treatment-resistant depression.

Cannabis's move proves classifications can evolve with science [11]. The same HHS process could work for psychedelics. Petitions to reschedule psilocybin started in 2021, citing low abuse and therapy potential, much like cannabis's case [12]. MDMA ahead: In 2024, the FDA looked at Lykos Therapeutics' PTSD treatment bid, asking for more data instead of greenlighting, but if it passes, the DEA might reschedule just that version to III, as they did for synthetic THC while keeping natural weed in I. The outlook is favorable yet complex. Cannabis reclassification benefited from strong state-level industry advocacy, which is currently lacking for psychedelics. The advocacy for cannabis has been robust, propelled by its widespread medical use, the economic benefits observed at the state level, and an established industry lobby. In contrast, psychedelics are still emerging

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from decades of stigma and lesser public and industry support, as their therapeutic benefits are more recent discoveries and not yet as widely accepted. These substances face additional hurdles in garnering advocacy support due to their niche applications and the lack of a significant commercial market akin to that of cannabis. Nevertheless, federal action is occurring: On November 28, 2025, the DEA increased production quotas for psilocybin, MDMA, and related compounds to facilitate research for PTSD and depression studies<sup>[13]</sup>. This mirrors earlier federal actions taken for cannabis prior to its rescheduling.

States are leading too. Oregon and Colorado have psilocybin programs for supervised use, decriminalizing therapy despite federal bans<sup>[12]</sup>. By 2025, 11 states rolled out "trigger laws" to legalize certain psychedelics if the feds reschedule, with three already in law<sup>[12]</sup>. It's like cannabis, where local changes forced national shifts—one expert put it as "states driving the bus, not waiting for federal okay. The pharmaceutical sector is positioned to benefit. The rescheduling of cannabis has enabled the FDA to consider cannabinoid-based medications, assisting companies such as Jazz Pharmaceuticals with their CBD-based epilepsy drug<sup>[14]</sup>. For psychedelics, regulatory changes may favor approved and patented formulations over natural products, potentially limiting competition and access if exclusivities are established around proprietary substances such as Compass Pathways' version of psilocybin<sup>[12]</sup>. This could result in increased costs and restricted availability. Taxation and access to financial services remain significant concerns. Operators in the psychedelics sector would be subject to IRS Section 280E restrictions until federal rescheduling is achieved, which is especially challenging given the resource-intensive nature of psychedelic-assisted therapy. Additionally, regulatory priorities and law enforcement practices could shift due to changes in the political landscape.

Overall, if cannabis trends hold, psychedelics might be rescheduled by 2030 with more data. Groups like MAPS see cannabis as a "win that resets old biases," smoothing the way<sup>[15]</sup>. But full descheduling? That might need Congress, since the admin changes focus on meds rather than rec or cultural uses<sup>[12]</sup>.

## Hurdles and What's Next

Of course, it's not all smooth sailing. Critics say rescheduling might spike misuse, pointing to links between cannabis and psychosis in some research<sup>[16]</sup>. However, to address these valid concerns about public health, measures such as implementing strict age limits on purchases, enforcing marketing regulations to prevent targeting minors, and setting rigorous quality controls could serve as safeguards. Additionally, enhanced education campaigns that promote safe use practices and potential risks could help mitigate misuse. Court fights are expected, which could slow things down. Opponents might challenge the rescheduling on grounds such as administrative procedure violations or statutory interpretation disputes. For instance, they could argue that the rescheduling process did not adequately account for public health risks or that it bypassed necessary legislative steps. For psychedelics, the FDA remains cautious about trials and long-term risks.

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