MEDICAL CANNABIS IS NOW FEDERAL SCHEDULE III

What the April 2026 Order Actually Covers, Why the Caregiver Bill May Fall Outside It, and the Revisions That Fix That

Josiah Schlee | CT Cannawarriors | Current as of August 9, 2026

WHAT HAPPENED

On April 22–23, 2026, Acting Attorney General Todd Blanche signed a final order, effective **April 28, 2026**, moving two categories from Schedule I to **Schedule III** of the Controlled Substances Act: (1) FDA-approved drug products containing marijuana, and (2) **marijuana subject to a qualifying state-issued license to manufacture, distribute or dispense marijuana for medical purposes**.

It was issued under President Trump's December 18, 2025 Executive Order on Increasing Medical Marijuana and Cannabidiol Research, using the treaty-based pathway at 21 U.S.C. § 811(d)(1) — which permits expedited rescheduling without ordinary notice-and-comment.

Adult-use cannabis remains Schedule I. A separate DEA administrative hearing on broader rescheduling ran June 29 to July 15, 2026 before Chief ALJ Derek Julius. Post-hearing briefs are due **August 17, 2026**. No decision has issued.

THE PROBLEM: THIS BILL'S BENEFICIARIES MAY NOT BE COVERED

The order reaches marijuana subject to a qualifying state-issued **license to manufacture, distribute or dispense**. The draft bill creates a cultivating caregiver **registration** — not a license, and not framed in terms of manufacturing, distribution or dispensing.

On the current draft language, cultivating caregivers, qualifying patients growing at home, and adult-use home growers may all **remain in Schedule I** while Connecticut's 45 licensed medical outlets move to Schedule III. That would leave the people this bill serves as the only part of the state's medical system still federally Schedule I — the opposite of what you want.

1. Exactly What Moved and What Did Not

Category	Federal status as of Aug 9, 2026
FDA-approved drug products containing marijuana	**Schedule III**
Marijuana subject to a qualifying state-issued medical license to manufacture, distribute or dispense	**Schedule III**
Adult-use / recreational cannabis, regardless of state law	**Schedule I**
Medical marijuana outside a licensed state program	**Schedule I**
Unlicensed bulk cannabis and marijuana extract	**Schedule I**
Synthetic tetrahydrocannabinols (e.g., delta-10)	**Schedule I**
Hemp as defined at 7 U.S.C. § 1639o	Unaffected
Marinol, Syndros and other previously rescheduled products	Unaffected

Conditions attached to the medical category

- State-licensed medical entities must **submit their state credentials to DEA for federal registration**. DEA has committed to reviewing submitted licenses within six months.
- Applications should be filed **within 60 days** to preserve the right to operate during agency review.
- **Registered facilities must accommodate DEA access rights.**
- Prescribers and pharmacists dispensing must meet DEA controlled-substance requirements.
- Section 280E no longer disallows ordinary business deductions for qualifying medical operators as of April 22, 2026. Protective IRS refund claims for prior years are time-limited.

THE ORDER IS UNDER CHALLENGE IN THREE CASES

Smart Approaches to Marijuana v. Department of Justice was filed May 4, 2026. Nebraska, Indiana and Louisiana filed a joint petition in the D.C. Circuit on May 22, 2026, arguing the order violates the Administrative Procedure Act and exceeds authority under the Controlled Substances Act. A third petition followed.

Do not build the bill's foundation on Schedule III persisting. If the order is vacated, every argument resting on it collapses mid-session. Use it as reinforcement, and draft the bill so it functions either way.

2. What This Helps

Federal recognition of medical use

The single most useful consequence is rhetorical and it is substantial. Schedule III is, by definition, a classification for substances with **accepted medical use**. The federal government has now said so about state-licensed medical cannabis. Every argument premised on “this isn't medicine” is materially weaker than it was in February 2025.

It is a Republican administration action

THIS IS THE BIPARTISAN OPENING YOU WERE LOOKING FOR

The rescheduling was directed by a Trump executive order and executed by a Trump Justice Department, framed around expanding “Americans' access to medical treatment options” and supporting research. A Republican member of the General Law Committee can now support medical cannabis cultivation reform as consistent with the current federal administration's own policy — not in opposition to it.

That is a materially different ask than it was in 2025, and it pairs directly with the psychedelic-therapy precedent: veterans, research, and access to treatment.

280E relief strengthens the genetics provision

Connecticut's 45 licensed medical outlets can now deduct ordinary business expenses on their medical lines. That makes the Section 10–11 seed and clone provisions more attractive, not less: a newly deductible medical line of business is a better place to add a product category than a 280E-burdened one. Raise this when you talk to Tirella or any other operator.

DCP loses an argument it never quite made

DCP's 2025 testimony did not lean on federal illegality, but the shadow of Schedule I sat behind every agency objection about liability and enforcement. That shadow is now partly lifted for the licensed medical system.

3. What This Complicates — Take These Seriously

A. The registration-versus-license problem

This is the most consequential drafting issue in the packet. The federal order attaches to a **state-issued license to manufacture, distribute or dispense**. Connecticut's draft creates a *registration* to *cultivate* and *transfer*. Those are different words, and in a federal scheduling context the words are doing real work.

Current draft language	Recommended revision	Why
"cultivating caregiver registration"	"cultivating caregiver **license**"	Maps onto "qualifying state-issued license"
"cultivate cannabis plants on behalf of"	cultivate, **manufacture** and **distribute** cannabis for medical purposes on behalf of	Tracks the federal verbs
"transfer usable cannabis"	**distribute** cannabis for medical use	Same
No statement of purpose re federal status	Add a finding that the license is issued to authorize manufacture and distribution of cannabis for medical purposes under chapter 420f	Creates a record for a DEA credential submission

This costs nothing in state law. It is a labeling change that may determine whether Connecticut's caregivers sit in Schedule I or Schedule III. **It should be reviewed by counsel and by LCO, and it is exactly the kind of question to put to OLR.**

B. DEA access rights collide with the privacy argument

THE HARDEST TENSION IN THE PACKET

Federal Schedule III coverage runs through DEA registration, and DEA registrants must accommodate agency access to registered premises. Section 7(d) of the draft bill provides that nothing authorizes entry into a dwelling or its curtilage without a warrant or written consent. The entire *Ravin* privacy argument rests on that clause.

You cannot have both. A cultivating caregiver who registers with DEA to obtain Schedule III status accepts federal inspection authority over a private residence. A cultivating caregiver who does not register keeps the privacy protection and stays Schedule I.

Recommended resolution: make federal registration *optional and elective*, not a condition of the state license. Let the caregiver choose. State law cannot control DEA in either direction, but the bill should not force the choice, and the state's own warrant requirement in § 7(d) should stand regardless.

C. The prescription mismatch is unresolved

Schedule III substances are lawfully dispensed on a valid prescription by a DEA-registered prescriber. Connecticut uses a *written certification* under chapter 420f, which is not a prescription. No one has resolved how state certification regimes interact with Schedule III dispensing rules. Do not assert that Schedule III makes Connecticut's program federally compliant. It does not.

D. Home growers remain Schedule I either way

Patients cultivating at home under § 21a-408d(b) hold no license. Adults cultivating under § 21a-278c hold no license and are in the adult-use category the order expressly excludes. **The outdoor cultivation provisions in Sections 1 through 3 are unaffected by rescheduling.** Their justification remains privacy, energy cost, and legislative authority — not federal status.

4. Concrete Revisions to Make

Document	Change
Long-form bill, Sec. 4–7	Change "registration" to "license" throughout; add "manufacture and distribute for medical purposes" to the authorized-conduct language; add a legislative finding that the license is issued to authorize manufacture and distribution of cannabis for medical purposes.
Long-form bill, new section	Federal contingency clause: if the April 2026 order is vacated, stayed or modified, the state license and all its conditions remain in full force and effect under state law. This protects the bill from the pending D.C. Circuit litigation.
Long-form bill, Sec. 7(d)	Keep as drafted. Add that nothing in the act requires a licensee to seek federal registration, and that federal registration is elective.
Short-form bill	Add an eleventh purpose covering the license framing and the federal contingency clause.
Ravin privacy brief	Add Schedule III to the medical-privacy parallel — federal acknowledgment of accepted medical use strengthens the framing. Do **not** claim it resolves the constitutional question.
DCP pre-buttal	Add: the Department now regulates a Schedule III substance in its licensed medical system. Ask whether DCP intends to submit Connecticut credentials to DEA and on what timeline.
Fiscal model	Note 280E relief as of April 22, 2026 for medical operators. It does not change the caregiver fee math, but it changes the industry's posture toward the bill.
Genetics brief	Add 280E relief as a reason licensed operators should want the seed and clone line now.
Application form	If the bill converts to a license, retitle the form and add an optional field for a DEA registration number.

5. What to Say, and What Not to Say

Say	Do not say
"As of April 2026 the federal government places state-licensed medical cannabis in Schedule III — a classification reserved for substances with accepted medical use."	"Cannabis is now federally legal" or "Schedule III means our program is federally compliant." Neither is true.
"This was directed by a Trump executive order and executed by the Justice Department. This bill is consistent with current federal policy."	"Rescheduling settles the question." Three petitions challenging the order are pending in the D.C. Circuit.
"Adult-use remains Schedule I. The broader hearing concluded July 15 and briefs are due August 17. No decision has issued."	"All cannabis is Schedule III." It is not.

Say	Do not say
“We want Connecticut's caregivers inside the licensed medical system so they benefit from that federal recognition, which is why the bill uses a license.”	“Caregivers are automatically Schedule III.” They are almost certainly not under the current draft.

6. Sources

Fact	Source	Status
Final order signed April 22–23, 2026; effective April 28, 2026	DOJ Office of Public Affairs release, April 23, 2026	Verified
Two categories moved: FDA-approved products; marijuana under a qualifying state-issued medical license	DOJ release; 91 FR (Apr. 28, 2026) final rule	Verified
Authority: 21 U.S.C. § 811(d)(1), treaty-based expedited pathway	Federal Register final rule; practitioner analyses	Verified
Issued under Trump Executive Order of December 18, 2025	DOJ release; Executive Order 14370	Verified
Adult-use remains Schedule I; synthetics and hemp unaffected	Final rule; multiple firm analyses	Verified
DEA credential submission; six-month review; 60-day filing window; facility access rights	Practitioner analyses of the order	Verified as reported — **confirm against the final rule text**
280E relief effective April 22, 2026	Multiple firm analyses	Verified as reported — **confirm with a tax professional**
Broader hearing June 29 – July 15, 2026; Chief ALJ Derek Julius; briefs due August 17, 2026	91 FR 22777 (Apr. 28, 2026); DEA.gov; hearing coverage	Verified
Three D.C. Circuit petitions: SAM (May 4); NE/IN/LA (May 22); a third	Practitioner tracking	Verified as reported — **confirm docket numbers**
Whether a caregiver license qualifies as a “state-issued license” under the order	—	**UNRESOLVED. This is a legal question for counsel and OLR, not something to assert either way.**

A NOTE ON THIS DOCUMENT

Earlier materials in this packet were prepared without accounting for the April 2026 order. They are not wrong about state law — the statutory analysis, the enrollment data, the participation model and the fee schedule all stand — but any of them that characterize cannabis as federally Schedule I should be read against this supplement. Federal cannabis law is moving quickly right now; confirm current status before any hearing.

Prepared August 9, 2026 and current as of that date. Post-hearing briefs in the broader rescheduling proceeding are due August 17, 2026, and litigation over the April order is pending. This is policy analysis, not legal advice, and its author is not an attorney.