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# *Legal Marijuana's Disastrous Legacy*

President Trump should halt Biden's attempt to make pot a 'Schedule III' substance.

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By Charles Fain Lehman

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A marijuana plant near Shelton, Wash., April 12, 2018. PHOTO: TED S. WARREN/ASSOCIATED PRESS

Whether to loosen the government's ultratight controls on marijuana is among the matters President Trump inherited from [Joe Biden](#).

Under law, marijuana is a Schedule I substance, meaning it has no accepted medical use and a high potential for abuse. Mr. Biden initiated a process to move pot to Schedule III, thereby labeling it a medicine with only moderate abuse potential. Mr. Trump must decide whether to move ahead with the change.

He shouldn't. Rescheduling would bolster a socially disastrous legal weed industry that has spread crime and disorder in the streets. Containing that chaos instead of spreading it would be

in line with the president's mandate.

Rescheduling wouldn't mean legalization. Marijuana would still be a federally controlled substance, subject to the same restrictions as drugs like ketamine and anabolic steroids. Rescheduling also wouldn't mean increasing the medical availability of marijuana. Medical cannabis is legal in 40 states, and the Rohrabacher-Farr Amendment, which became law in 2014, prohibits spending money to enforce federal laws against these operations. Marijuana is already more available to "medical" users than other Schedule III substances.

The primary effect of rescheduling, as the Congressional Research Service [has shown](#), would be a tax break to fuel the growth of state-legal marijuana businesses. That's because a provision of the tax code, Section 280E, which provides that businesses can't deduct the costs of trafficking in Schedule I or II controlled substances. But that's not the case for Schedule III.

That affects state-legal marijuana businesses. Because of 280E, these firms can pay effective tax rates as high as 70%. Shifting pot to schedule III would alleviate the tax burden, and give the firms more room to operate. That would be good if these were normal companies, and if their business wasn't socially and individually harmful. But the state-legal marijuana business has been a catastrophe.

Legalization has [increased rates](#) of marijuana addiction—typically called "marijuana use disorder"—including rates of heavy use [among teens](#). State-legal businesses have a profit-motivated reason to nurture addiction. Due to legalization, today's pot is far more potent than it was decades ago. Research links marijuana use, especially in young adulthood, to [IQ loss](#), [schizophrenia](#), [heart attacks](#), [strokes](#) and [lung disease](#).

As important, legalization is already socially toxic. [Research](#) by the Kansas City Federal Reserve found it has increased homelessness, addiction and arrests by double-digit percentages. Other research, on [Seattle](#) and [Vancouver](#), British Columbia, finds that dispensary proximity causally reduces property values. There's also the odor, which nearly half of New York City residents reported smelling "often" in [a recent poll](#).

Legalization hasn't even killed the black market. By expanding the consumer base while regulating the supply, it has made the illicit alternative more appealing than ever. Cannabis forecaster Whitney Economics [has projected](#) that in 2026 the black market will still account for 60% of sales. Much of that money flows to Chinese criminal groups, which "have come to dominate the cultivation and distribution of marijuana throughout the United States," according to the Drug Enforcement Administration's recent [National Drug Threat Assessment](#). Maybe that

is why a majority of Americans now say that pot is bad for its users and society, [according to Gallup](#).

The rescheduling decision rests with the Justice and Health and Human Services departments, which both take marching orders from the president. Mr. Trump should end Mr. Biden's dangerous social experiment.

*Mr. Lehman is a fellow at the Manhattan Institute and senior editor of City Journal.*

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Wonder Land: State legalizations of gambling and marijuana prove that the goal of governments today is mainly to take, rather than help. Images: Getty Images Composite: Mark Kelly

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