



## 3 Reasons Marijuana Legislation in the U.S. Could Be Coming Soon

### Description

As Canada inches closer towards [legalization](#) within its own borders, we are starting to see some momentum build in the U.S. as well. Many cannabis companies south of the border have looked to Canada's markets for financing, but that might not be necessary if we see pot legalized federally in the U.S.

A legal U.S. pot market would create significant opportunities for companies like **Canopy Growth Corp.** ([TSX:WEED](#))(NYSE:CGC) and **Aurora Cannabis Inc.**, ([TSX:ACB](#)), but until legalization occurs, the TSX is likely going to continue to take a [hard stance](#) on companies with interests in U.S. pot.

However, there are many reasons that investors should be optimistic, as cannabis could be starting to gain traction south of the border.

### There's a great deal of support for it

On Monday, seven U.S. mayors banded together to form a coalition to try to push for federal reforms on marijuana. Some of the cities represented in the coalition include Seattle, Denver and Portland, all cities in which pot has flourished since being legalized

Denver Mayor Michael B. Hancock, who is leading the charge, pointed out, "As mayors of cities that have successfully implemented and managed this new industry, we have hands-on experience that can help Congress take the right steps to support other local governments as they prepare to enter this new frontier."

### Republicans aren't vehemently against it

It was big news earlier this year when former Speaker of the House John Boehner announced that he would be joining a cannabis company in an advisory role. He admitted this his attitude on pot had changed, and he isn't the only one warming up to cannabis. President Trump has also given indications that he is not as hard on cannabis as is his attorney general.

Cannabis investors will recall that early on in 2018, sessions made it clear that individuals that buy and

sell pot are still in violation of U.S. law and that federal attorneys would be free to go after offenders even in states that have allowed pot, something that the government was previously turned a blind eye to.

However, we haven't seen any consequence from that announcement since, and the growing rift between Trump and Sessions is well known, and marijuana could just be the latest issue that divides the two.

### **The results are too good to ignore**

In states where we've seen marijuana legalized, sales have been soaring, and not only is cannabis creating jobs, but it's also generating a solid stream of tax revenue for the government. At a time when rising debt levels have been problematic for the U.S. government, cannabis sales could provide it with some much-needed tax dollars.

### **Bottom line**

There's still a lot of work to do for marijuana to be legalized south of the border, but we are seeing some movement toward what looks to be an inevitability. The legalization of marijuana in the U.S. is the last big domino to fall, after which we'll see even more growth in the industry.

### **CATEGORY**

1. Investing

### **TICKERS GLOBAL**

1. NASDAQ:CGC (Canopy Growth)
2. TSX:ACB (Aurora Cannabis)
3. TSX:WEED (Canopy Growth)

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1. Investing

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