

Much Ado About Nothing: Cannabis and the Current Administration



- Cannabis Health & Safety Organization
- ► 501(c)(3) not-for-profit
- Independent: No financial stake in or funding from the cannabis industry.
- Unbiased: Not an advocacy organization, do not push cannabis policy.
- ► Third Party: Bridge between regulatory and industry to protect public health, consumer safety & safeguard the environment.

Sean McClelland Director of Government Relations (FOCUS)

Born: Toronto Canada

US Coast Guard - Maritime Law Enforcement Specialist (ME2)

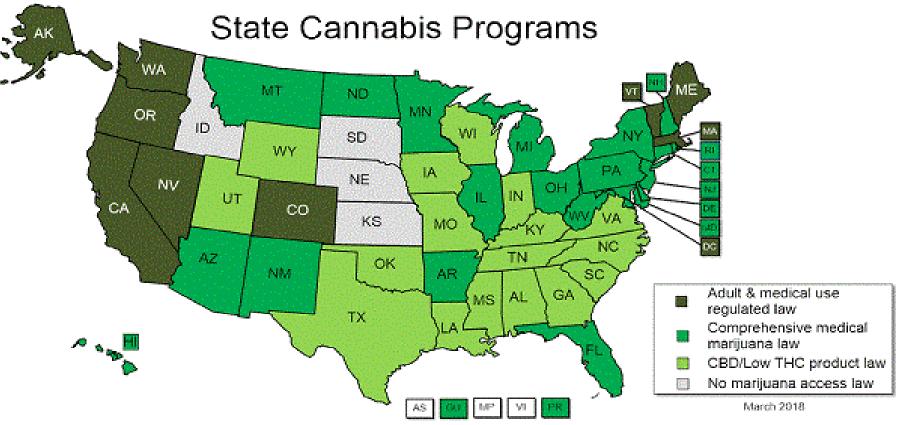
Port Security Specialist (PS3)

Maritime Law Enforcement Academy

Law Enforcement Instructor (Unit Level)

Specialized In High Value Asset Protection, High Risk Protection, Counter Terrorism, Drug and Migrant Interdiction

US States with Current Programs



Vermont adult use law signed Jan. 22, 2018. Effective July 1, 2018. Limited adult possession and growing allowed, no regulated production or sales: DC, VT.

Quick US History w/Cannabis

- In the 1820's several American medical societies created the first edition of the United States Pharmacopoeia (U.S.P.).
- The purpose was to identify and standardize the till then mostly botanical drugs in medical use. The book dictates the exact formula, parts of the plant, and the exact method of preparation of base drugs for pharmaceutical use.
- ▶ Between 1850 and 1937, marijuana was widely used in American medical practice for a wide range of ailments. In 1851 Marijuana is admitted as as a recognized medicine in the 3rd edition of the U.S. Pharmacopoeia under the name of Extractum Cannabis or Extract of Hemp and listed until 1942.

Quick US History w/Cannabis (cont'd)

- In 1915, The Harrison Act, as the final proposal was known, required every physician who prescribed opium or any of its derivatives to put a serial number, which could only be obtained from the Internal Revenue Department, on each prescription... Every doctor who wished to prescribe narcotics was required to register annually with the federal government.
- Although it does not apply to marijuana, the Harrison Act becomes the model for drug regulation on the federal level and is considered the basis for the Marihuana Tax Act of 1937
- ▶ 1915-1927 10 States Pass Marijuana Prohibition Laws

Quick US History w/Cannabis (cont'd)

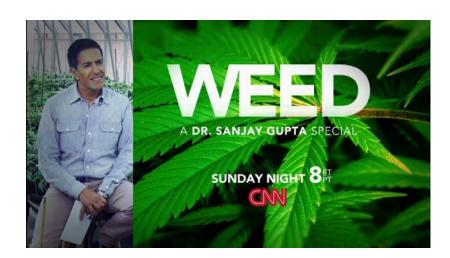
- ▶ "By the time the federal government passed the *Marihuana Tax Act* in [Oct.] 1937, every state had already enacted laws criminalizing the possession and sale of marijuana. The federal law, which was structured in a fashion similar to the 1914 Harrison Act, maintained the right to use marijuana for medicinal purposes but required physicians and pharmacists who prescribed or dispensed marijuana to register with federal authorities and pay an annual tax or license fee...
- After the passage of the Act, prescriptions of marijuana declined because doctors generally decided it was easier not to prescribe marijuana than to deal with the extra work imposed by the new law."

Rosalie Liccardo Pacula, PhD "State Medical Marijuana Laws: Understanding the Laws and Their Limitations," *Journal of Public Health Policy*, 2002

Recent US History w/Cannabis

- By January 2009, 13 states have adopted Medical Marijuana legislation
- On Oct. 19, 2009 the US Department of Justice (DOJ) issued a memo, known subsequently as the Ogden memo, to "provide clarification and guidance to federal prosecutors in States that have enacted laws authorizing the medical use of marijuana.
- The DOJ announced that prosecutorial priorities should not target "individuals whose actions are in clear and unambiguous compliance with existing state laws providing for the medical use of marijuana." Specifically, individuals with cancer or other serious illnesses who use medical marijuana and the caregivers who provide the medical marijuana in accordance with state law should not be the focus of federal prosecution.

- Aug. 13, 2013 Dr. Sanjay Gupta, CNN's Chief Medical Correspondent Comes out in Favor of Medical Marijuana, days after his one hour documentary airs titled "Weed".
- ► Has since gone on to produce three more documentaries on the subject, with the most recent in April 2018, "Weed 4: Pot vs Pills".



- Aug. 29, 2013 The U.S. Department of Justice announced an update to its federal marijuana enforcement policy in light of recent state ballot initiatives that legalize, under state law, the possession of small amounts of marijuana and provide for the regulation of marijuana production, processing, and sale...
- ► For states such as Colorado and Washington that have enacted laws to authorize the production, distribution and possession of marijuana... based on assurances that those states will impose an appropriately strict regulatory system, the Department has informed the governors of both states that it is deferring its right to challenge their legalization laws at this time."
- ► Feb. 14, 2014 New Federal Guidelines Allow Banks to Provide Financial Services to Legal Marijuana Sellers

► Watch Video: https://www.youtube.com/watch?v=9XHEoUeAD7s

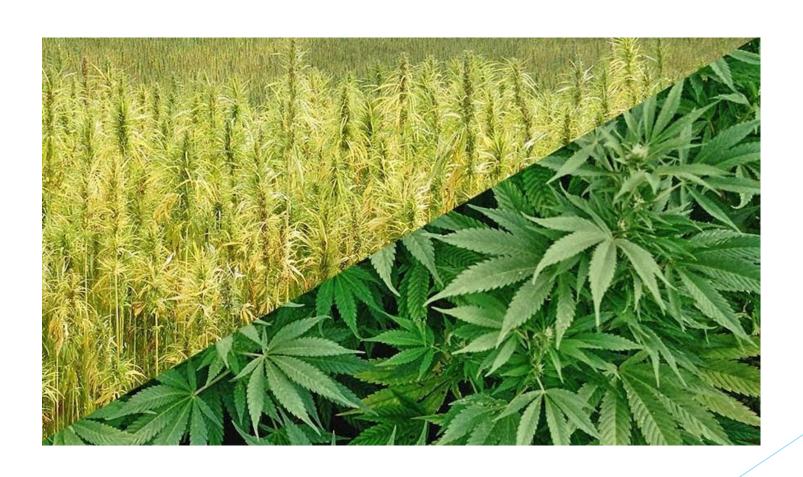
- Dec. 17, 2014 Justice Department banned from Using Funds against Medical Marijuana in States Where It Is Legal
- Dec. 18, 2015 Congress passed the FY2016 Omnibus Appropriations Bill and President Obama signed it into law. A provision in the bill extended the medical marijuana protection for another year.
- Nov. 8, 2016 The United States elects its 45th President

The Current Administration

- ▶ Jan. 4, 2018 US Attorney General, Jeff Sessions, rescinded the policy by President Barack Obama's Justice Department that has generally barred federal law enforcement officials from interfering with marijuana sales in states where the drug is legal.
- The congressional amendment (at that time) blocked the Justice Department from interfering with medical marijuana programs in states where it is allowed. Justice officials said they would follow the law, but would not preclude the possibility of medical-marijuana related prosecutions.
- Mar. 23, 2018 President Donald Trump signs spending measure extension, which includes the continuation of budgetary provisions from 2014, providing protections to medical marijuana programs in states where it is allowed

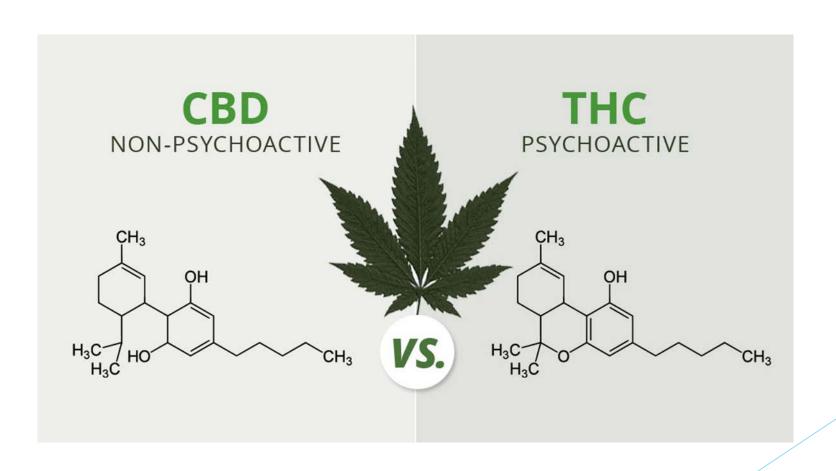
The Current Administration

Watch Video: https://www.youtube.com/watch?v=Y1DQro3ZAS0



- Hemp, or Industrial Hemp, is a variety of the Cannabis Sativa plant species
- Historically grown for industrial uses: paper, textiles, building material, biofuel, food, and animal feed
- Typically known for its accelerated growth cycle
- Unique phytochemical composition, with lower levels of Tetrahydrocannabinol (THC) and high concentrations of Cannabidiol (CBD)

- Marijuana or marihuana is actually a Latin American Spanish term
- Marijuana in American culture is a term associated with the psychoactive drug from the Cannabis plant
- Cannabis plant species include Sativa, Indica, and Ruderalis
- Cannabis Sativa and Cannabis Indica both have the potential to produce large amounts of THC within their plant profiles
- The large amounts of THC produced by these plants is what has caused them to be classified as a drug, due to its psychotropic nature
- Cannabis has been used medically, recreationally, and spiritually for hundreds of years around the world



US Hemp (since 2014)

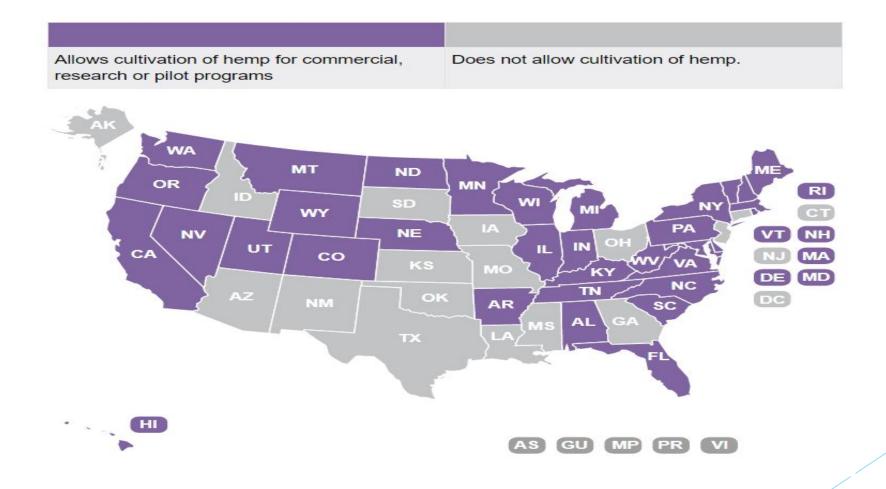
- ▶ Feb. 7, 2014, President Obama signed the Farm Bill of 2013 into law.
- Section 7606 of the act, Legitimacy of Industrial Hemp Research, defines industrial hemp as distinct from marijuana and authorizes institutions of higher education or state department's of agriculture in states that legalized hemp cultivation to regulate and conduct research and pilot programs.
- The term "industrial hemp" includes the plant Cannabis sativa L. and any part or derivative of such plant, including seeds of such plant, whether growing or not, that is used exclusively for industrial purposes (fiber and seed) with a tetrahydrocannabinols concentration of not more than 0.3 percent on a dry weight basis.

US Hemp (since 2014)

Mar. 10, 2017 - Congressional Research Service issues a report prepared for Members and Committees of Congress: Hemp as an Agricultural Commodity *Summary*:

Industrial hemp is an agricultural commodity that is cultivated for use in the production of a wide range of products, including foods and beverages, cosmetics and personal care products, nutritional supplements, fabrics and textiles, yarns and spun fibers, paper, construction and insulation materials, and other manufactured goods. Hemp can be grown as a fiber, seed, or other dual-purpose crop. However, hemp is also from the same species of plant, Cannabis sativa, as marijuana. As a result, production in the United States is restricted due to hemp's association with marijuana, and the U.S. market is largely dependent on imports, both as finished hemp-containing products and as ingredients for use in further processing (mostly from Canada and China). Current industry estimates report U.S. hemp sales at nearly \$600 million annually.

US Hemp (since 2014)



US Hemp - 2018

- Apr. 16, 2018 Sen. Mitch McConnell (R-Ky) introduces Senate Bill 2667, Hemp Farming Act of 2018
- ▶ Jun. 5, 2018 U.S. Senate votes unanimously to approve Hemp Farming Act
- Jun. 8, 2018 Hemp Farming Act of 2018, officially included into the Senate's 2018 Agricultural Farm Bill.

What is the significance of both these pieces of legislation?

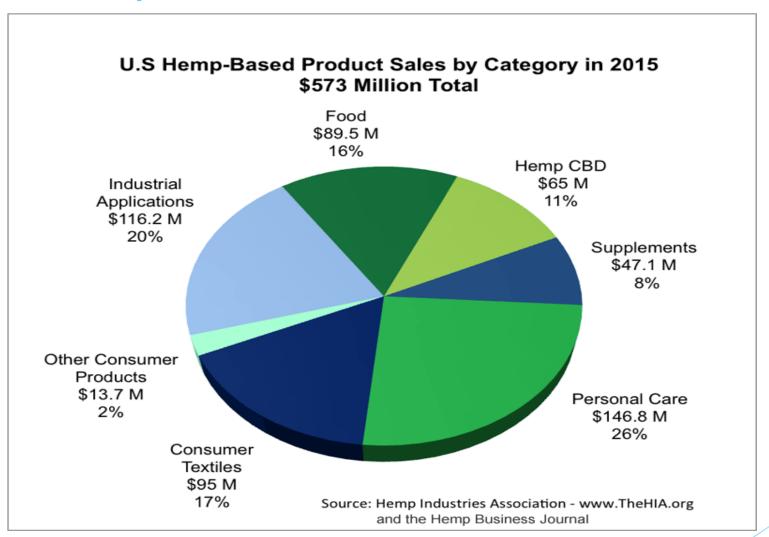
US Hemp - 2018 (cont'd)

- S.2667 115th Congress (2017-2018)
- SEC. 6. CONFORMING CHANGES TO CONTROLLED SUBSTANCES ACT.
- (a) In General.--Section 102(16) of the Controlled Substances Act
- (21 U.S.C. 802(16)) is amended--
- (1) by striking ``(16) The" and inserting ``(16)(A)
- Subject to subparagraph (B), the"; and
- (2) by striking ``Such term does not include the" and
- inserting the following:

US Hemp - 2018 (cont'd)

- ``(B) The term `marihuana' does not include--
- ``(i) hemp, as defined in section 297A of the Agricultural
- Marketing Act of 1946; or
- ``(ii) the".
- (b) Tetrahydrocannabinol.--Schedule I, as set forth in section
- ▶ 202(c) of the Controlled Substances Act (21 U.S.C. 812(c)), is amended
- in subsection (c)(17) by inserting after ``Tetrahydrocannabinols" the
- following: ``, except for tetrahydrocannabinols in hemp (as defined
- under section 297A of the Agricultural Marketing Act of 1946)".

US Hemp - 2018 (cont'd)



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► Thank you for your time.

Any Questions?