



2016 ADULT USE CANNABIS LEGALIZATION GUIDE

A guide examining the many opportunities and challenges we face, as we work to end cannabis prohibition for adults at the ballot box in 2016.

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Cannabis Landscape Overview

What an interesting and exciting time for cannabis this is. With four states and D.C. legalizing cannabis for adult use and dozens of states working to implement medical cannabis programs, cannabis is becoming more widely accepted in our society. Every day new opportunities arise and new challenges are faced. As cannabis returns to the mainstream of society there are both external and internal forces at work to consider.

Colorado and Washington continue to face issues due to over-regulation and increased barriers in their programs. Challenges are to be expected, as we work out the details to ending prohibition; but many of the challenges we face were avoidable with more thorough and well-thought language written into these laws. We are beginning to see issues take hold in Oregon, as well, as they develop the parameters of the new adult use legalized industry there. These are the laboratories of democracy that face the uncertainty of what cannabis legalization should look like head on. What we have seen in the early stages of development in these states is an industry struggling to find itself, and its voice, in the community. Real life challenges, including the inability to establish banking, has left the cannabis industry frustrated and searching for answers. There has been an influx of capital in these states using their funding and influence to manipulate regulations and laws to suit their business needs. Some of the over-burdensome regulations in these states have made the playing field far from level.

Each of these programs has their own unique matters of concern to consider, as new laws are strategized and developed across the country for 2016. It is important to learn from avoidable missteps and create language that accomplishes the simple overall objective of creating a cannabis landscape where adults can grow, possess, and use cannabis freely without fear of arrest; and an industry that is fair that serves the interest of the consumer by providing high quality cannabis products at the greatest value. The potential global market for cannabis is immense and should not be left to chance. The laws being created now, and the programs that accompany them, will lay the groundwork for how cannabis is understood and accepted in our society. It is a great responsibility to ensure that what is put on the ballot is meaningful and accomplishes this objective. There is no room for error due to political showmanship and lack of camaraderie. It is time for the adults in the room to make the tough decisions for this industry moving forward that take into account the bigger picture, and which defend the rights and freedoms and cannabis users and cannabis providers.

In order to achieve a more perfect cannabis industry there is a need to find a unilateral consensus on major issues facing the reform community. There are no winners and losers in this process of developing laws, but it will require certain sacrifices and understanding from all major stakeholders. No one is going to get everything they want in any law that is written, and certainly there will be objections from both allies and opposition forces. But it is imperative that the laws being developed represent the interests of the many and not the few. It is important to consider the models being put forth currently, and create language that solves common problems and increases cannabis freedom.

What we are seeing both in medical and adult use markets across the country is a knee jerk reaction by prohibitionists fueled by exploitive media reporting working to undermine these programs and the evolving industry. Several medical programs are under attack, and there are many issues facing the



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programs we see in early development in states like Massachusetts and Illinois. There is a growing effort to limit medical cannabis laws to CBD only legislation in several states. There is a growing divide of interests within the cannabis community, as these issues continue to cloud the landscape. There is a great deal of uncertainty and fear by people who have dedicated their life to cannabis. Many of these people are rightfully concerned by the evolution of cannabis laws and regulations, as the extreme barriers to entry and unnecessary limitations have made it difficult for small operators to compete and thrive. There are also notable limitations on consumer rights that have created a tangled web of inconsistent implementation of cannabis laws.

It is natural for people to resist change. There will always be a certain population of the reform community who will romance the golden age of cannabis and who are resistant to inevitable change. I think we all have certain norms and expectations that are threatened by cannabis becoming another boring good that is bought and sold by people across the globe. Cannabis is a commodity. The industry that will develop around that commodity is only beginning to be seen. We are at a unique point in history that requires us to rise up and meet the incredible challenges that we face in order to create something special and lasting that we can all be proud of.

California is by far the biggest piece of the cannabis landscape to consider in the equation, making up over 10% of the nation's population and which is a major producer of agricultural based commodities. California is the mecca of cannabis and is responsible for most of the innovations in the industry we have seen over the past decades. It is an amazing testament that Proposition 215 has withstood the test of time and that SB420 has enabled us to create such an incredible mosaic of cannabis producers and providers throughout the state. What makes the California cannabis market great is that there are so many people involved, and there is a level of cooperation and competition that are unmatched anywhere in the world. Because everyone in the State operates under the pretense of a 'collective or cooperative,' it has opened up for interpretation for many unique and innovative business models to serve the sophisticated needs of today's cannabis consumer. There are many who have questioned the validity of the California program, but there is no questioning the success of a program that serves over a million cannabis consumers every day with very little incident of harm; and which provides real economic impact to the communities where cannabis is tolerated and allowed. Yet there are still large areas of the state where cannabis is not tolerated and the broad interpretation of the law has posed continuing legal issues for patients and providers. There are virtually no protections anywhere in the state for those who cultivate cannabis or who produce cannabis finished products.

There is a well-established medical cannabis industry here that will need to be interpreted and considered in any initiative effort for the state. We clearly see in Washington State what could happen to a developed medical industry that lacks real definition and protection at the state level, as they work to shut down hundreds of dispensaries there. That is a very real scenario for California, and the issue most likely to affect buy in from the community on initiative language that is being considered. There are several laws also being considered in the State Legislature that could pass before the election in 2016. All of these factors have to be considered in writing adult use language, as the two issues are not separate by any means. That being said, many in the medical community will need to come to terms and reconsider the fact that anyone who grows, processes, transports, or sells cannabis is a "collective"



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which does not have clear definition, and which is interpreted very loosely across the medical cannabis spectrum. We can no longer look to the 2008 AG Guidelines as a responsible way of doing business. There must be a defined process for medical cannabis patients, caregivers, and providers to continue to have the same freedoms they have now, while also taking into account the norms of the medical and alternative medicines industries.

Add to that the many differing opinions on a variety of topics, from personal cultivation to regulating concentrates, and it is easy to see how difficult the development process might be. It is worth it though. We must rise to the occasion and have the difficult conversations to ensure the laws we see enacted in California, and across the nation and world, are reflective of the ethics and morality that we wish the movement and industries to be. We have an incredible opportunity ahead to create something that achieves cannabis freedom and is a model for ending prohibition around the world.

Extraordinary Challenges

There will be no shortage of battles, as the 2016 election cycle heats up. There will be extraordinary challenges faced both from within the cannabis community and from those who oppose cannabis. Nothing should be taken for granted, and whatever campaign forms to lead the charge should be prepared to fight for every vote. There is severe mistrust within the cannabis community, and many are rightfully skeptical. It is going to take a great deal of outreach and education to sell any effort to the community, and there is sure to be a great deal of criticism to overcome. The easiest way to resolve matters effectively and timely is to commit to 100% transparency in the development process and find a reputable team of ambassadors to educate the community on every aspect of the initiative being written. If there are strategic reasoning and evidence for certain controversial aspects of language being considered it is imperative to be ready to make that case publicly and in real time before the cannabis rumor mill spins out of control. While the industry continues to expand, it is still a relatively tight knit group of people who have vast communication networks. Social media and internet outlets enable for information to travel fast, and it is important to stay ahead of the game.

It would be unwise to take the cannabis vote for granted and to try and pass an initiative without consideration of the industry and movement at large. While cannabis users and supporters make up a fraction of the vote, know that all of those people have family and friends who look to them for their opinion on these matters. While it is impossible to make everyone happy, it would be a mistake to not at least give people the opportunity to express their opinion on matters; and to work to provide relevant information to overcome perceptions and disagreeable terms in the language. It is also important to keep an open mind to suggestion from real people who use and provide cannabis every day. While it is clear that the industry will change over time, it is important to ensure the language developed is as inclusive as possible of those who have dedicated their time, energy, and resources to cannabis. At the same time it is not realistic to try and serve the direct interests of those who are already in business and who are "licensed." There is no real licensing for the entire manufacturing and producing of cannabis industry in the state now, so propping up the retail sector would be unwise. The only way to ensure fairness is to create an industry that is fair for anyone to enter should they choose. It should limit the



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barriers to entry and provide groundwork for how the program is to be implemented, not leaving important details up to regulators and legislators to work out later.

It would also be unwise to underestimate external opposition, especially from law enforcement, public officials, and even Kevin Sabet's minions. They understand the magnitude of a cannabis victory in California and will wage an aggressive campaign here to undermine the campaign for adult use legalization at any cost. It will take a meaningful public awareness campaign to combat their fear mongering and hyperbole. It is important to consider opposition argument when developing the language, but not to overestimate the power of these arguments in such a way that creates unnecessary burdens for cannabis users and providers. There are areas of the language that will be distorted and twisted regardless, and it is the responsibility of the campaign to overcome opposition with sound argument and education. We must learn from other efforts and also current events where the opposition will most likely make their stand, and be prepared to counteract those efforts accordingly. The opposition has access to media and political contacts that have to be considered in the development of any strategic planning for a successful campaign. This thing is no way in the bag, and we can be sure those who hate cannabis freedom will be out in full force working to scare the bejeezus out of the average voter. They will focus heavily on scaring parents, as that demographic is still difficult for us to overcome. We must be prepared to have the difficult conversation of why making criminals of cannabis users and providers has been a real disaster, and a huge financial burden. It will also be necessary to heavily lobby the conservative right with a message of freedom and personal responsibility.

While the challenges of the 2016 campaign season are just beginning to come into focus, the cannabis community needs to find areas of common ground in which to build consensus. The right hand must talk to the left, and there has to be real leadership that people can be confident in to advance the objectives of any campaign that develops. The campaign will require a high level of sophistication and messaging will be incredibly important. Finding highly qualified and likable people to undertake these difficult roles can be a real determining factor in the success or failure of this effort. The team compiled to speak on behalf of the campaign must be competent and capable of problem solving on their feet. It will be a fast paced atmosphere that requires incredible organization and communication skills to meet the challenges head on.

Realistic Objectives

It is a fine line between treated like tomatoes and secured like Fort Knox. Someone has to make the difficult decisions on language that will affect how cannabis is consumed, cultivated, processed, and distributed for decades to come. While there is varying consensus on any range of issues, from personal consumption matters like social clubs and possession limits to commercial regulatory schemes for the industry, the objective should be able to provide as much cannabis freedom as is reasonable; and create an industry where a level playing field will allow free market principles to decide success. It is a delicate balance, and obviously "realistic" can be a severely objective term. It is a huge responsibility to decide the parameters of ending cannabis prohibition. It would be smart to really consider a global cannabis



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market and what it would take for the industry to accommodate that market should Federal prohibition end tomorrow. Chances are the end is closer than we think.

Thinking small and leaving too much discretion to state agencies has been a mistake in both Colorado and Washington thus far, and it would seem Oregon is heading down a similar path. It would bode well to define clearly all of the aspects of the industry and to include clear direction as to how the industry is to operate and be governed. There must be a reasonable exchange of ideas on these matters, while maintaining a realistic outlook as to what can first and foremost win an election. Campaigns that lose are worthless. It is important to include sensible limitations that still provide enough freedom for the average cannabis user and home grower. There also has to be a clear path for the commercial industry that gives confidence to voters that the industry will be safe and a contributing part of society.

It would be a critical mistake to allow knee jerk responses to public criticism by opposition forces to influence the language. While we should not give our opponents reason to sound the alarms by including language that could be deemed irresponsible, we should also not cower to assumed politics and have faith that a powerful campaign message can overcome common criticism, as long as the language is reasonable. Figuring out what those reasonable objectives are is an incredible responsibility, and should not be taken lightly. Everyone must understand that there will be uncomfortable compromise, and we must stay focused on the big picture aspects of cannabis legalization. What we want and what we need are two different things, and many of us are going to have to accept aspects of the proposed law that we do not necessarily agree with. But with an open and transparent discussion, we can make the case openly and work to educate people who have an interest in cannabis freedom.

The Purpose of Adult Use Legalization Laws

What are we trying to accomplish? Mostly we want adults to be able to possess and use cannabis for spiritual, enjoyable, medical and any other use they see fit. We are working to end the stigma of cannabis prohibition and return cannabis to its rightful place in our society. We want to make cannabis boring again.

Any law created should create an industry that ultimately benefits the cannabis consumer, and which is open and transparent. We need not further cloud the landscape with overly burdensome restrictions aimed at providing false senses of security to those who oppose our efforts. The purpose of any adult use legalization law should be cannabis freedom. There will be inevitable limitations that will need to be included, but we must not jump the shark with overzealous details that limit fair play in an open and inclusive industry.

We want to remove all criminal penalties for cannabis from the books, and encourage the release of persons incarcerated for cannabis crimes. In doing so, we must consider where civil penalties may still exist for infractions of the law, including sales to children and unsavory business practice. We want to also ensure voters of public safety and responsibility.



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It is imperative to consider the current Federal landscape of cannabis tolerance; and also create language that is timeless which can withstand the evolution of Federal laws in coming years. There is also a matter of revenues, which is the carrot on the horse for a lot of voters. It is important to define reasonable limitations on sin taxes for cannabis clearly in the language, and limit the industry's long term responsibilities. Ultimately the goal for any adult use legalization law is to win the election come November 2016. Finding a path to victory that is fair and equitable for the most people should be the main objective.

A Level Playing Field for All

One of the biggest fears of those in the cannabis community is that they are going to be left out of the new industry because they will not be able to compete with big money interests. They worry that the new law will create a system that is too burdensome for them to be a part of due to heavy licensing fees and cumbersome regulation. There are also those pressing to make an exception of sorts for already established cannabis businesses to ensure some protection from larger interests. The only answer is a truly level playing field for all.

It is important to create a law that is fair and just. That includes creating a competitive industry model that rewards those who provide the highest quality goods and services at the best value for the end user. We must create a space for everyone who wants to be a part of the industry to exist, as long as they meet certain requirements. We must create an industry that is fair for both large and small business owners to compete. This is not an impossible task. We see a lot of small business models thriving in the beer and wine industries. In fact, the licensing set up for alcohol is a pretty good model for adult use cannabis, where licenses are provided for both large and small batch production and growing of raw materials. There is licensing for retail establishments, social establishments and events, as well as different scales of production based on batch size and products. It would not be a bad idea to consider a three tiered system like they do for alcohol as well, with your raw cannabis being treated like beer, solventless concentrates and products being treated like wine, and solvent-based and intensive production products being treated like hard liquor. I think we can all agree there is no shortage of liquor in our society, and that entering the alcoholic beverage industry is relatively easy for most to do, should they so choose. It is also an industry that allows for people to produce beer and wine for personal consumption, so it is easily relatable in that regard.

While I am not a fan of the "Regulate Like Alcohol" tag line for a campaign, I do think that the booze industry has a relatively level playing field, and that alcohol regulations in our society are very liberal. That is what I would like to see for cannabis too. I would like to see cannabis available as commonly as alcohol products, and it will take a level playing field for the industry to accomplish that. One can hope that the evolution of the cannabis industry will be more conscious that the alcohol industry has been over the years, but that will come from consumer demand. We must trust that free market principles will prevail in the industry long term. Quality and value will overcome supply and demand. Those who compete will be successful.



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Defining the Entire Cannabis Continuum

One of the biggest mistakes we could make is not clearly defining all aspects of the cannabis continuum. Choosing to willingly leave out certain topics because they are deemed political liabilities is a poor strategy. We MUST include the entire industry into the language to assure that the industry includes all cannabis users and producers' needs. It does not make sense to simply exclude parts of the industry that are more controversial because it is perceived to be more of a political risk. If we fail to include major sectors of the industry, such as BHO or edible production, we are possibly excluding those types of products from the cannabis marketplace; and simply creating another need for black market distribution to meet the demand for those types of products.

The definitions of the language are important; and their content, and more specifically that actual wording that defines what the many aspects of the cannabis industry are, should be examined closely for accuracy and clarity. These are the definitions that will guide the industry for decades to come, and it does not serve us well to simply cut and paste terms that are outdated or inaccurate from other erroneous legislation. Each term must be carefully considered and worded in a way that will promote cannabis freedom, and not leave room for misinterpretation.

Cannabis Rights and Freedoms

What rights and freedoms will this law grant? This is the million dollar question, and where many folks will stake their allegiance or opposition to the proposed law. What rights and freedoms come with the deal? How much weed can they possess? How much can they grow? These rights/limitations are crucial in the process. There are also the rights and freedoms of commercial entities that must be considered. It is a lot to deal with, but must be clearly spelled out in the language to ensure protections for cannabis users and providers. There are also medical cannabis protections that need to be maintained and protected.

The objective is to create language that promotes personal freedom of cannabis users, as well as creates a fair and inclusive industry to best serve the interests of the community. We should envision a long-term solution to current problems and anticipated issues as cannabis becomes a global market. Keeping people from getting arrested, losing their kids, losing jobs, and being discriminated against in society is the first goal; but we must also consider the long game and what this law will look like five, ten, and twenty years from now. The rights and freedoms granted here will likely be the foundation for cannabis reform for decades to come, so it is important to get it right.

Repealing Prohibition Laws

It is necessary to repeal the current laws that prohibit cannabis laws, and replace any laws that are to remain with civil penalties instead of criminal. We must look deeply at all areas of the law that cannabis prohibition has crept into, including public housing limitations and use by people on probation and parolees. We must be sure to not miss any aspect of repealing these laws that have terrorized our



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communities for decades. We must ensure there is zero ability for unfair enforcement because we did not specify the repeal of prohibition laws enough. We must be thorough in this regard.

The Need for Clear Regulatory Framework

There have been many valuable lessons learned from laws both here in California and across the nation where cannabis implementation is concerned. There are understandable growing pains, and then there are matters that could have been easily solved by providing more detail in the law when it was written.

There has been a clear desire to over-regulate many aspects of the industry both by those who oppose cannabis, and often from those within our community. At times, we have been willing to compromise away our rights and best business practices to appease those who will never be convinced that cannabis is safe, enjoyable, and helpful. So when I refer to the “need for clear regulatory framework” I am not calling for a host of burdensome regulation. What I am suggesting is the need to clearly spell out the least burdensome options in the language and not leave the rules of the road for legislators or officials to decide. I believe if we want to model the industry after other industries that are relevant, such as agriculture or alcohol, then we should include those regulatory structures into the actual language to avoid possible confusion or misinterpretation by regulators.

There is no need for cannabis to face unfair regulatory scrutiny because of decades of misinformation of the drug war. We must lay out what the regulations are in the language to avoid an industry that is beholden to forces that oppose cannabis, or those who want to corner the market for personal gain.

Personal Possession, Cultivation, and Production

What is allowed by the average Joe? How much can they carry on them? Possess in their homes? Cultivate at their homes or on private property? What types of finished products can they produce for personal use? This is where you are going to find opposition from within if the law does not provide adequate freedoms to the average cannabis user. As stated previously, while the cannabis user is a small portion of the voting public, most everyone has a stoner friend or family member that they will ask for advice in voting on this law. It is important to grant enough rights for most people to be comfortable that they can grow or produce their own cannabis and products if they choose, while not making it so liberal as to allow opposition forces to frame it as a free for all with no boundaries.

So what are good limitations? With cultivation you are likely looking at plant numbers or canopy size. If I were doing plant numbers I would probably consider 20 plants to be reasonable per person, and if I were considering canopy I would think that 100 square feet may be suitable per individual. Then you have to consider how many individuals per residence or property. Can 5 people all grow at the same residence or facility? Where are the limits drawn?

How about possession? We have seen one ounce be allowed in other states. While an ounce is a good amount of weed, why is it a good metric for what people are allowed to possess? Do we have similar limitations on any other products in our society that we can think of? Why are we attempting to limit



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exactly how much cannabis a person can possess at any given time? What problem are we trying to solve here? Nobody blinks an eye when some old man goes to Costco and fills a cart with cheap vodka. Does it make sense to limit personal possession amounts for one reason or another? I have yet to hear a very good argument for the one ounce deal. It would seem an unnecessary aspect that for some reason has become a gold standard in adult use legalization. Is it time to shift that paradigm?

What about producing hash, edibles, topical products, and other applications at home or on private property for personal use? Should we limit the use of solvents for hash making at home, much the way people are not supposed to make hard alcohol? If we do, we should also make the penalties for doing so similar to those for illegally making hard liquor at home, and not a major crime. Anything that is disallowed by the language created will certainly still be a part of the illegal market, but it is important to also make the penalties reasonable for violations. Do we limit the amounts of certain products that can be created for personal use? There are limits on beer and wine production for a calendar year, but they are fairly liberal. Can we establish liberal baselines for these areas that allow plenty of freedom for those who cultivate and produce their own cannabis products that afford them protections in the law?

While big business and the perceived industry is sexy and all, it is important to remember that this effort is about making life better for the average cannabis user and affording them the rights and freedom to possess, grow, and create cannabis products for their personal use and consumption. Like most other available commodities, most will likely choose to be a part of the commercial marketplace; but having the right to possess and produce cannabis should be at the forefront of the discussion in creating any law.

Commercial Cultivation and Production

The most incredible part of the California cannabis landscape in its current evolution is that 99.99% of commercial production and cultivation is not licensed or regulated anywhere. It is an unspoken truth that lives in the gray area of the law. Everyone in California is a collective or cooperative, whether you are a retailer, a grower, or a producer of finished products. Even the labs are some weird hybrid of one of these unclear business models. This fact poses several challenges to licensing the industry as we know it.

How do we bring the production sector of the industry into compliance, while understanding that most still operate in mostly clandestine scenarios across the state? How can businesses that have been operating for many years apply for licensing that will not compromise their operations as they reveal themselves publicly? What risks are posed by doing so? Is there a need to rectify existing business models in the language; or do we consider the adult use industry a clean slate from which to build?

Who regulates the commercial production aspects of the industry? Does it make sense for the Department of Agriculture to oversee commercial cultivation? Or does an entity like ABC make more sense? Or do we want to create an entirely new entity to oversee the whole industry? Or does it make more sense to integrate the industry into one, or several, existing entities? We must also be aware of organized labor's desires to penetrate the production and retail sectors of the industry and influence



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this aspect of the process. While their political influence can be helpful, we must not trade away commercial producers' and their employees' rights to choose to be a part of union activities or not.

Commercial cultivators and producers have been left out in the cold in this industry. They are afforded very little protections in an industry that has been influenced by limited permitting for retail outlets, making the retailers gatekeepers in many respects. What we must consider in the creating of this law is that commercial manufacturing and production will drive this industry in the future, just like it does every other industry on earth. Budweiser can live without your liquor store, but believe your liquor store must have Budweiser. The cannabis market will evolve, and both small and large producers of cannabis and cannabis products must be well represented and protected in the initiative language.

Retailers

Because retailers are really the only ones afforded any clear protections under the current medical cannabis system in California, there is a certain desire to protect those interests and investments. Some have suggested giving currently licensed medical establishments a two year head start, much like we saw in Colorado. That is not a viable solution, as the results there were that many sold their interests in these businesses, and a lot of the market was homogenized and limited. Now that the two years have passed there is an increase in businesses competing, and the result is better quality and lower prices for the consumer. We should not make the same mistake trying to protect the interests of those who have been lucky enough to be in an area of the state where cannabis is allowed and regulated. Those entities will already have an advantage in any local licensing matters if they have been good stewards of their communities.

What we should encourage in the law is an open cannabis market for adult use legalization that encourages cannabis products be dispensed at both specialty retailers and conventional retailers. I would like to see cannabis products integrated into every corner of society, and not place limitations on where it can be bought and sold to meet some idealistic quality we imagine people want to see. Retail outlets compete for customers through providing great service, quality products, and good values for their clients. People who want to be a part of the emerging industry should have to compete for customers just as if they were opening any other business. We should not limit too strictly where cannabis can be obtained and distributed if we truly want to lay the groundwork for a global cannabis market. Retail licensing, including bar type of establishments, would be well-served by the regulations we see for alcohol establishments. Booze is everywhere, and most people can get a license for retail outlets or bars if they choose to really pursue it.

Edibles

Cannabis foods, drinks, and ingestible products are the fastest growing sector of the cannabis industry. They are also one of the most controversial aspects, garnering a lot of unwarranted media attention due to hyperbolic reporting of isolated incidents in states where cannabis is legal for adults. They are one of the areas that those who oppose cannabis have chosen to take up arms against cannabis, playing on



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fears of accidental ingestion and psychosis. What is clear is that this is an area of the industry that needs clear definition and an area where any campaign better be prepared to do massive public education and awareness on.

When used responsibly there is no healthier method of ingestion for cannabis. Everyone can agree that people not smoking is a positive thing. But there is a lot of irrational fear about cannabis edible products that need to be examined, defined, and accounted for in the language for adult use legalization. How will these products be regulated and brought to market? What limitations regarding food production are required, and where does edible cannabis production differ from normal food production? How do we manage active ingredient levels to ensure public safety, while still allowing for creative and innovative product development?

Edibles are an important part of the discussion and the language included to define and control their use, production, and distribution should be carefully considered by those creating the language. There should not be a knee-jerk reaction to provide solutions to the trumped up problems the media and drug warriors have created. We are looking for sensible solutions to reasonable problems.

Concentrates

Concentrated cannabis products are growing in popularity, and are one of the areas where the industry is seeing massive innovation. From devices used to extract the cannabinoids, to a wide array of products to consume concentrated products, it is clear that the concentrated cannabis industry is the future. It would be an incredible misstep to leave these products and their methods of production out of the language because of feared blowback due to negative stories we have seen in the press related to explosions due to irresponsible production of BHO and other cannabis products. We can embrace that narrative and explain this is the very reason we must allow for and regulate any extraction that requires special equipment and facilities to produce. The home BHO lab is the new bathtub gin still, and where it has compromised public safety is clear testament to the need for properly regulated production. Just like we regulate the production of many products, including distilled liquor, we can create a space for the production of these products to exist.

Concentrated cannabis products are also the basis for many other finished cannabis products, so it is necessary to ensure they are available if we want an industry that includes a wide variety of product types. Ignoring their importance would be a fatal flaw, and would leave a lot of the current cannabis community and industry lacking real representation. The wise thing to do would be to address the matter head on, and create sensible and reasonable standards for their production.

Medical Use vs. Adult Use

It has been eighteen plus years since California passed Proposition 215 allowing for an affirmative defense for patients. It is hard to believe that this same law still governs most of the cannabis industry to this day. There is something to be said about how it has withstood the test of time. There are also a lot of people who rely on Proposition 215 and SB420 to protect their rights as a qualified patient. This is



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going to be a loud and vocal contingency that must be heard and respected. It is unclear how to protect the medical cannabis industry due to its lack of definition. We are seeing in Washington State now what can happen as a result of a state program lacking teeth as it is being folded into the adult use sector. How do we protect those who want to remain a medical patient and provider through language in the law without having to more clearly define what is and what is not considered a part of the medical industry? This is a very hard part of the riddle that those crafting this language must consider. They must also consider that there are several bills in the State Legislature that are being considered to reign in the medical cannabis industry. How can any initiative filed account for all of these aspects and possible conclusions; or should it?

Is it easy enough to simply state that, “This law shall not impose on any rights granted under Prop 215, SB420, and the California State Medical Cannabis Program?” Maybe... but it best be worded clearly to really protect those rights and avoid the issues we are seeing elsewhere.

Taxes and Revenue

What about the money? The money is what is going to entice a lot of voters who otherwise could care less about weed. The idea of making additional revenue off of potheads is an enticing. It is also an area where the industry can give away the farm for real, if not reeled in. It may also be good to declare what the funds are to be used for, so that the campaign can promote that “weed will help build schools and pave roads in your community.” That is an easy sell.

It would be smart to include caps on how much the industry can be taxed to make sure that we are not being unfairly targeted for funds because of cannabis being formerly illegal. In other words, let’s not be so happy that they are not beating us up and taking us to jail any more that we agree to give them all of our lunch money. Establishing tax rates that will provide a great deal of revenue, while still making cannabis affordable and limiting burdens on cannabis businesses, is an important function to consider when drafting language.

What about the kids?

A lot of the opposition arguments hinge on the threat to children posed by increased cannabis acceptance in or society. People play on the fears of parents who want the best for their children and they do so by making irrational arguments. We must be prepared to take the message that kids are far better protected by a regulated market, and that the real danger is creating massive amounts of criminals out of our youth for cannabis crimes. We must make them understand that cannabis is not as dangerous as they have been led to believe, and that it would benefit them to make cannabis just another boring thing that adults do like drinking or using tobacco. We cannot afford to concede this argument and give into these irrational fears about cannabis being extremely dangerous. Parents should only hope that their child experiments with cannabis in lieu of the many legal alternatives in their house at any given time, such as booze and pills. The kids will be fine. It is the parents we need to worry about and address accordingly.



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Anticipating Opposition

The one thing we can be absolutely sure of in any initiative and campaign to legalize cannabis for adult use is strong opposition. We should not underestimate the opposition and we must anticipate their attacks and be ready to respond promptly. It is a fast paced world we live in where information, and too often misinformation, travel very quickly... especially in cannabis circles. A campaign to legalize weed in California (and any other state) must be prepared to take on the opposition and confront misinformation with sound argument and fact. We must not cower to those who would choose to see millions of our friends and neighbors locked up every year for cannabis. There is a portion of society that will never be on board with cannabis legalization, and that is okay. We only need 51% of people who vote in November 2016 to support us, and we will have to fight our asses off for every one of those votes.

Whoever is leading the strategic efforts of the campaign must view the issue from the oppositions' perspective to understand their anticipated arguments; and have prepared counter arguments and messaging campaigns ready to launch. We know most of the common opposition arguments, and most are sad and pathetic attempts to live in the past. Our best bet is not to shy away from the argument, but make the arguments early and debunk them accordingly. We must embrace the opposition argument as possibly valid in the eyes of the common voter, and then clearly explain why it is invalid. It will take an organized and disciplined response team to navigate the many opposition arguments that will be formed between now and election day. It is imperative to find spokespeople who are respected and capable to deliver the campaign messaging.

The campaign should also consider and accommodate religious opposition. There are many arguments to be made as to why the current system and laws are inhumane by any religious standards; but it would bode well for us to create educational campaigns that target religious communities and make the case for ending cannabis prohibition on those terms.

The opposition from within the cannabis movement is also a major force to be reckoned with. As previously stated, the easiest way to overcome these factors is absolute transparency, and taking the time to explain and inform people about the reasoning of things. We must be prepared to defend our positions in public and make room for people to disagree and find compromise. Nothing is going to make everyone completely happy, but there are certainly things that are livable and then there are areas where people will take hostages.

Wants vs. Needs

There are some in the cannabis community who have a difficult time distinguishing between wants and needs. This will be a challenge to any group putting forth potential language for the ballot. Unfortunately there are people who want it all and cannot see the line between their wants and the community's need. While it is important to honor the wants of the many, when developing language it is important to decipher what is actually needed to make the law successful and workable, and which points are simply asking too much. Often, when writing initiative language, it is not what is included that



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matters as much as what is NOT included. While it is important to detail many parts of the industry to ensure the program is inclusive and complete, there are also areas that may be best left out of the language to avoid confusion or unnecessary political discourse.

It is imperative to make wise decisions as to what our actual needs are as a community and as an industry, and to make sure the language put forth includes ALL of those needs. We can then look at the wants and see what aspects of those may, or may not, be reasonable.

We must also be prepared to make the case as to why certain demands from stakeholders ARE wants and not needs. It is not enough to just say “no” and leave it at that. There must be well-thought arguments that counteract the inevitable criticisms of those who do not get what they want. If left to fester, those who feel slighted without explanation can work as a cancer within the community and erode trust in the effort. While that is bound to happen in some areas, the campaign must be prepared to answer these criticisms quickly, effectively, and publicly to limit the damage from such discourse.

The wants vs. needs aspect of the effort will require real and meaningful conversations and education to overcome the challenges posed by those who inevitably want it all, and who are willing to burn the effort to the ground if they do not get their way. While it is important to make smart decisions, it is just as important to back up those decisions with valid argument and strategic fact. It is not impossible to overcome those who want the moon, but ignoring this contingency would be a critical failure of any campaign effort.

Why You Should Listen To Me.....

I believe I have a unique position in the cannabis movement and industry. I have spent many years working to develop sound business models and regulatory framework for many sectors of the industry. My work as a provider of cannabis medicines predates most of the current industry, and I have maintained an active role in working to legitimize and help the world understand how cannabis can be produced and sold in a legal marketplace. I understand the challenges we face clearly, and have been on the front lines of this battle for a long time.

I have faced the wrath of the Federal government head on, as my businesses and home were raided by the DEA in September of 2007. Our battle with the Feds resulted in no jail time for me or my staff, as both law enforcement officials and a federal judge agreed that we were a model non-profit business providing safe cannabis medicines in a conflicted legal state. Through these battles, I developed a voice for activism and have been a vocal advocate for cannabis freedom at every chance.

I have also written thousands of articles on the cannabis reform movement, and have been unapologetic in my criticisms of many who are public figures within the cannabis industry. While my work has often created hard feelings between myself and major stakeholders in the movement, it has also created a respect level among my colleagues as a person willing to have the difficult conversation and tell the truth regardless of consequence. I am certainly not the most liked person in cannabis reform circles, but there are few who can challenge my commitment to cannabis freedom and my willingness to speak up



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on any number of issues we face as a community. I have never been here to make friends, but I do believe I have the respect of the majority of my peers.

While I have no interest in joining any campaign effort in an official capacity, you can be sure that I will be a vocal ally or opposition to any effort being put forth. Like it or not, I will offer my input and ideas in a public forum where all can understand and digest my position. There are certain sectors of the industry where I do hold influence, and I will use that influence to rally the troops in support and/or opposition to cannabis legalization efforts that arise.

It is important to understand my position. My goals are not personal, or influenced by my business and/or personal contacts. I just want cannabis freedom...plain and simple. I have no interests beyond creating a society where cannabis is a normal everyday boring commodity, and where people do not have to fear arrest or punishment for their choice to use or produce cannabis. The rest of the argument is invalid if freedom is still limited. I am not an idealistic fool who does not see the massive change we are undertaking with these efforts. I have no desire to romance the past or hang on to "the good old days." I am fully aware that this will be a hard and difficult process. I hope to provide a realistic outlook for those who look to me for guidance.

While I certainly do not have enough power to make or break a campaign, I can definitely make life easier or more difficult. My choice is obviously to get behind an effort I can believe in and support; but I will make no qualms about taking an unfair and ill-thought effort to task if necessary. I offer my advice and input as a partner for social change, and I would hope that my opinion would be considered in the drafting of the language to be put on the ballot. I believe my insight and understanding of this movement and industry can be a valuable resource moving forward. The stakeholders developing initiatives and eventually a campaign would be well-served by my input. It is their choice to consider or not. I am offering my services and critical eye in hopes of being a useful part of the effort to legalize cannabis for adults in California. I have dedicated a lot of my life to this movement, and believe I can be a helpful asset in developing a law that is inclusive and fair for everyone. I can use my voice to help create understanding and to combat misinformation in the process. I am more than happy to be a voice of reason; and am committed to ensuring the effort put forth is one that we can all be proud of, and which creates a model cannabis industry that meets the needs of our society.

The election is ours to win or lose. I appreciate your time, and am available for more detailed explanations of my positions if necessary. I look forward to the development of cannabis laws that achieve the objectives of cannabis freedom.