

Early Friday morning, March 23, 2018, Congress approved a new Federal budget, the Consolidated Appropriations Act of 2018 ("the Act"), narrowly averting another government shutdown or yet another interim stopgap spending bill.

Following the bill's passage through the House and Senate, the President is expected to sign it into legislation on Saturday, March 24th.

Previously however, as the vote in the House and Senate loomed, thousands of California medical cannabis businesses, along with thousands more across the Country in the now, 45 other states with legalized medical marijuana (and D.C., Guam and Puerto Rico) sat with persisting uncertainty and grave apprehension whether the coveted Rohrabacher Farr provision would survive the Senate's stern majority as part of the spending bill.

Found at Division B, Title V, Section 538 of the Act, it reads:

None of the funds made available under this
Act to the Department of Justice may be used,
with respect to any of the States of Alabama,
Alaska, Arizona, Arkansas, California, Colorado,
Connecticut, Delaware, Florida, Georgia,
Hawaii, Illinois, Indiana, Iowa, Kentucky,
Louisiana, Maine, Maryland, Massachusetts,
Michigan, Minnesota, Mississippi, Missouri,
Montana, Nevada, New Hampshire, New Jersey,
New Mexico, New York, North Carolina, North
Dakota, Ohio, Oklahoma, Oregon, Pennsylvania,
Rhode Island, South Carolina, Tennessee, Texas,
Utah, Vermont, Virginia, Washington, West

Virginia, Wisconsin, and Wyoming, or with respect

to the District of Columbia, Guam, or Puerto Rico, to prevent any of them from implementing their own laws that authorize the use, distribution, possession, or cultivation of medical marijuana.

Originally signed into law by President Obama as part of the Consolidated and Further Continuing Appropriations Act of 2014, the Rohrabacher Farr Amendment has survived as part of every stop gap and omnibus appropriations bill since that time.

IN 2015, THE U.S. DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA HELD THAT THE USDOJ WAS ESTOPPED FROM PROSECUTING MEDICAL MARIJUANA BUSINESSES OPERATING IN STRICT COMPLIANCE WITH STATE LAW.

But the Amendment's teflon reputation was in question since the current administration took office and the misguided Attorney General sought to revive the failed war on drugs with his targets set squarely on, not prescription opiates, heroin, crack cocaine or methamphetamines, but medical cannabis.

In a stunning display of animus and/or ignorance towards the undeniable and mounting body of science and empirical evidence supporting the beneficial medical uses for cannabis, AG Session wrote a letter to Congress in May 2017 asking them specifically not to include the protections in the Appropriations Bill.

And it has been pins and needles ever since. Three times the 2018 Appropriations Bill came on for consideration on Capitol Hill and three times it stalled.

But on March 22, 2018, our Congress stood up to the ignorance and instead employed acceptance of medical

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cannabis and compassion for patients all over the United States and voted to protect a State's right to regulate medical cannabis commerce.

So for another year, all medical cannabis businesses, operating lawfully under State law, are protected from Federal criminal prosecution. Businesses beware however. The USDOJ will rightfully look to enforce the Federal drug laws against state medical cannabis operators who stray from state law.

Thus, it is imperative that California commercial cannabis operators (cultivators, manufacturers, distributors, dispensaries, testing labs) are excessively careful to follow state and local law and remain regulatory compliant, no small task given the voluminous regulatory requirements placed on California cannabusinesses. But if achieved, people working/operating in the medical cannabis industry in California can again rest easy each night after a long day's work.

For more information on running a perfectly compliant California cannabis business, contact <u>Jasun Molinelli</u> or <u>Adrian Lambie</u> at Archer Norris.



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