



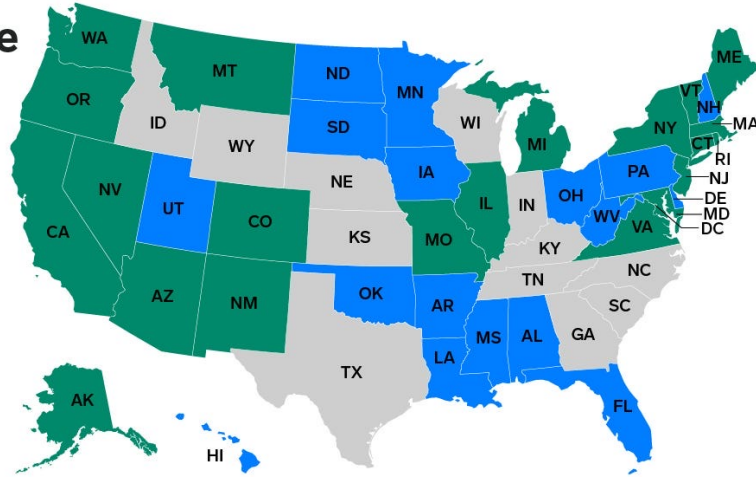
CANNABIS LAW UPDATES:

AMENDMENT 3 ADULT USE

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States where cannabis is legal

- Recreational
- Medical
- Illegal



21 States Adult Use

37 States Medical Use

21st State

Still Federally Illegal

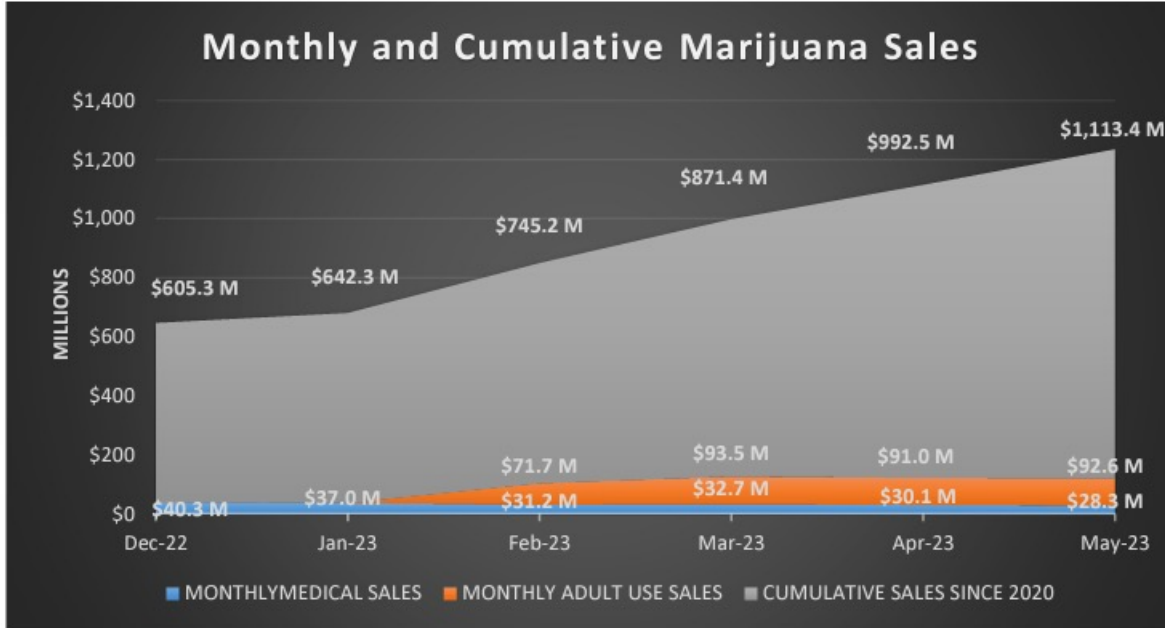
- ▶ Marijuana is illegal under Federal Law
 - ▶ Defined as all parts of the cannabis plant having a concentration of .3% THC (Distinguished from Hemp)
- ▶ Classified as a Schedule 1 Drug under the Controlled Substances Act ("CSA")
- ▶ Because marijuana is a Schedule I substance, the CSA makes it a crime to knowingly or intentionally "manufacture, distribute, or dispense, or possess with intent to manufacture, distribute, or dispense" marijuana, 21 U.S.C.S. § 841(a)(1), as well as to "knowingly or intentionally . . . possess a controlled substance," id. § 844(a)
- ▶ Multitude of laws connected with the classification
 - ▶ Banking

Marijuana in Missouri

- ▶ 2016: Medical Marijuana Initiative Petition
 - ▶ Short 23 signatures
- ▶ 2018: Medical Marijuana Initiative Petition (Amendment 2)
- ▶ 2019-2020: Medical Licenses Issued (First sale October 2020)
- ▶ 2020: Collect signatures for Adult Use Initiative (COVID)
- ▶ 2022: Adult Use Initiative Petition
- ▶ 2023: Adult Use Sales (First Sale February 3, 2023)
- ▶ **2023: New Set of Rules/New Division Name**
 - ▶ **Department of Health, Division of Cannabis Regulation**
 - ▶ **19 CSR 100 (Effective July 30, 2023)**

Medical Marijuana (Foundation for Adult Use Program)

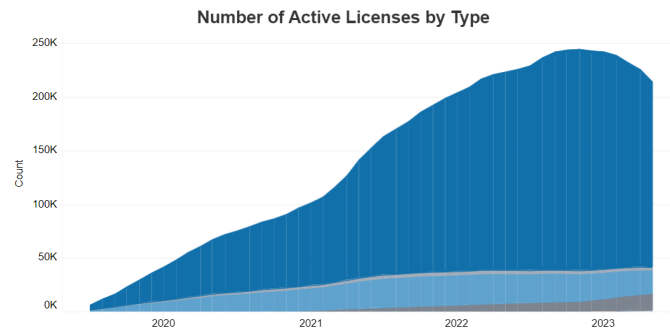
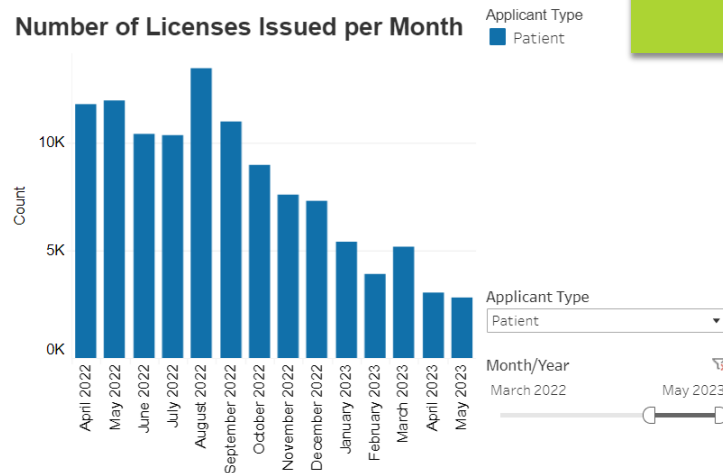
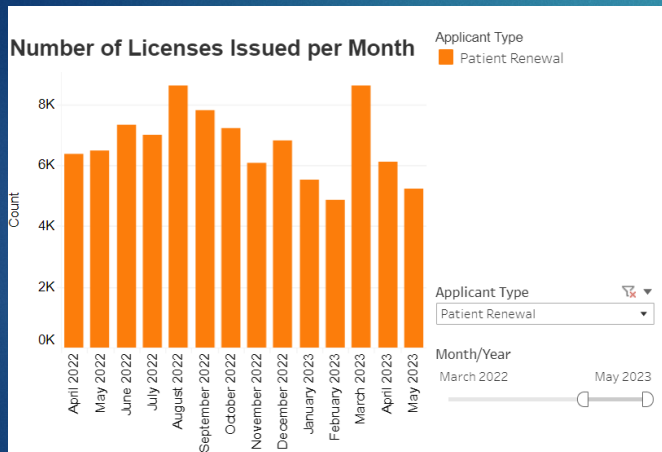
- ▶ Administered by the Missouri Department of Health and Senior Services Section for Medical Marijuana Regulation
- ▶ Qualifying Conditions
 - ▶ Psychiatric Disorders (PTSD, Depression)
 - ▶ Chronic Pain or Muscle Spasms
 - ▶ Chronic Medical Condition that is normally treated with prescription medication that could lead to dependence (Opioids)
- ▶ Purchase and possession limits
 - ▶ 4 oz per 30 day period purchase limit or equivalent (concentrates and THC infused products)
 - ▶ Possession limit is a 60 day supply or 90 day supply if a licensed cultivator
 - ▶ Limit may be increased if Patient obtains Certification for a higher amount from two (2) Physicians
- ▶ Cultivation, Manufacturing, Dispensary Licenses (Capped by DHSS)



Marijuana Sales

ON PACE TO BE 6TH
LARGEST MARKET
(CALIFORNIA, MICHIGAN,
ILLINOIS, COLORADO,
MASSACHUSETTS)

Patient Licenses



Amendment 3; Adult Use (Effective December 8, 2022)

- ▶ 21 and older can possess, purchase, consume, and cultivate
 - ▶ Purchase and possession limit (3 ounces or equivalent)
 - ▶ 6% Tax
 - ▶ Local tax of up to 3%
 - ▶ No public use (consumption lounges authorized)
- ▶ Automatic expungement for non-violent marijuana related offense
- ▶ Creates micro licenses for disadvantaged groups/individuals
- ▶ Medical Changes
 - ▶ Nurse practioners
 - ▶ Card length increased

Facilities

- ▶ Existing Medical may Convert to Comprehensive License
 - ▶ Local control for dispensary facilities
- ▶ Micro Licenses
 - ▶ Wholesale (cultivation and manufacturing)
 - ▶ Dispensary
 - ▶ No less than 6 per district initially
 - ▶ Additional roll out until at least 144 total

Micro Licenses

- ▶ Wholesale (250 flowering plants) and Dispensary
- ▶ Eligibility (<https://health.mo.gov/safety/cannabis/eligibility-micro.php>)
 - ▶ Net worth of less than 250K and income below 250% of the federal poverty line for three of last ten years
 - ▶ Service connected disability
 - ▶ Person, or whose parent, guardian, or spouse has been arrested, prosecuted, or convicted of non-violent marijuana offense
 - ▶ Graduated from unaccredited high school or reside in unaccredited school district for three of last five years
 - ▶ Reside in a zip code or census tract where
 - ▶ 30% of more live below poverty level
 - ▶ Rate of unemployment is 50% higher than rate for state
 - ▶ Historic incarceration for marijuana related offense if 50% higher than rate for state

Micro License Applications

- ▶ Instructions and Forms Available
- ▶ July 27-Aug 10 Submission Window
- ▶ Awarded via Lottery (Missouri Lottery)
- ▶ Licenses Issued October 3

Micro License Applications

- ▶ Tips/Warnings

- ▶ May only apply for one license
- ▶ Need to identify address, but no proof is required
- ▶ Can't own a comprehensive/medical license
- ▶ Application Fee of \$1,500 is Refundable
 - ▶ If eligible to apply; and
 - ▶ If timely submit written request for refund

Expungements

- ▶ Automatic
- ▶ Paid for by tax revenues
 - ▶ Money must first go to expungement expenses
- ▶ Do not need to apply
- ▶ Courts under Order to accomplish by certain deadlines
- ▶ Effect as many as 300,000 Missourians

Criminal Changes

- ▶ Sets out a number of decreased penalties for marijuana offenses that are not being legalized
- ▶ Allows people currently incarcerated for nonviolent marijuana offenses (except driving under the influence, sales to minors, or offenses over three pounds) to petition for release and have that petition granted
- ▶ Anyone on parole or probation for those same marijuana offenses to be immediately released from supervision
- ▶ For felony offenses of more than 3 pounds, offenses are expunged once the sentence is completed

Legal Changes

- ▶ Police, before obtaining search warrant for illegal marijuana operations, must first check with DHSS as to ascertain whether person was home cultivator
- ▶ Evidence of marijuana alone can't serve as basis for search of person, vehicle, or their house
- ▶ In family court can't have status as a patient used to restrict custodial or parent rights to minor children
- ▶ Landlords can't prohibit possession or consumption; can prohibit smoking
- ▶ Gun rights protected
- ▶ Lawful marijuana related activities can't be a basis for violation of parole, probation, or supervised release
- ▶ Does not authorize driving under influence
 - ▶ Does require more than positive test

Provisions (Future Focused)

- ▶ Anti-Monopoly: no ownership of more than 10% of any particular license type
- ▶ Allows importing and exporting of cannabis for sale by Missouri cultivation and manufacturing licensees,
- ▶ Imported cannabis must still comply with Missouri rules and regs.
- ▶ All raw biomass and flower must go through a Missouri cultivator
- ▶ All manufactured products must go through a Missouri manufacturer

Employees/Employers

- ▶ Unless a failure to do so would cause an employer to lose a monetary or licensing-related benefit under federal law, an employer may not discriminate against a person in hiring, termination, or any term or condition of employment or otherwise penalize a person if the discrimination is based upon:
 - ▶ Status as a patient (still does not permit employee to be under the influence at work)
 - ▶ Positive drug test (protection only for patients and still does not permit under the influence at work)
- ▶ Protections don't apply if use of marijuana affects job related employment responsibilities or safety of others, or conflicts with a bona fide occupational qualification

QUESTIONS?



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