Prop. 64 & Excelsior Where we are, Where we're going and how to get there Prepared by Chris Conrad, cannabis expert witness and author of The Newbie's Guide to Cannabis and the Industry

Topics in this presentation

- + Where cannabis stands today in California
- + Four pathways forward from Proposition 64
- + How we can activate Prop. 64's restorative justice package
- + Using the regulatory process to benefit the most people
- + What this victory means in the Big Picture
- + Discussion: Where you fit into the picture

Prop. 64: A new playing field

(Reminder: Your Prop 215 CUA medical marijuana defenses still apply.) California adult cannabis activity Prop 64 penalty reductions Prop. 64 Vote Possess up to 1 ounce marijuana and 8 grams concentrate. Legal Transport or give away cannabis in those same amounts. Yes Homegrow up to 6 plants. Process Legal and keep entire harvest. ■ No Ticket \$100 Smoking in public, open container. Smoking where tobacco is banned. Ticket \$250 Age 18 - 20: One ounce marijuana, Ticket \$100 4 grams concentrate or 6 plants.

Future criminal justice reforms

Age 18 and up: Possess, transport or give away over 1 ounce, excess concentrate, more than 6 plants, illicit sales or intent to sell.

Misdemeanor
Penalties up to
6 months, \$500 or both

Third time or aggravated* offense of more than 6 plants, illicit sales or intent to sell.

Wobbler Misdemeanor or Felony 16 months to 4 years

Sales involving minors under age 18

Felony Up to 7 years

Minors up to age 18: All offenses. Records cleared at age 18.

Counseling, community service, drug education Increase quantities.

Penalty reductions: Wobblers > misdemeanors; misdemeanors > infractions

Remove from list of controlled substances

^{*} Involve minors, transport out of state for sale, gross negligence, environmental / watershed damage, toxic / hazardous substances, prior super strike, registered sex offender.

Two statewide paths forward

- + Utilizing the Bureau of Marijuana Control
 - + Ease of access, licensing, regulations, costs, taxation
 - + Appeals, hardship waivers, "practicability" modifications
 - + Taxes pay for the program so license fees should be low
 - + Large grower licenses: Support, oppose, limit?
 - + Where do topicals fit into the program? Licensed shops only?
- + Going to the State Legislature
 - + Penalty reductions: Wobblers > misdemeanors > infractions
 - + Legislative housekeeping, Controlled Substances list
 - + Reform PC 132 conspiracy, HS 11366 a place, VC23222

Pursuing the local and judicial tracts

- Going to the courts
 - + Last resort to resolve any ambiguous language
 - + Oppose discrimination and *de facto* bans
 - + Equal rights standing to expand custodial and other rights
- + Working with local government
 - + Interim licensing, fee structures, hardship rates
 - + Model ordinances, zoning, residential variances
 - + Lobbying bureaucrats, councils and supervisors
 - + Replacing adversarial officials and staffers

Using the election map as a guide



- + Blue counties passed Prop. 64
- + Margin of voter victory is key
- + Cities with higher "yes" vote are gateways into "no" counties
- + Communities that most need tax revenues could open up first
- + Cannabis tax funding designed to incentivize local licensing

Activating Restorative Justice

- + Just having marijuana legal changes attitudes, lessens stigma
- + Release, expungement and social reintegration
- + How to approach the "reparations" grants
- + Lots of education and assistance
- + Making sure the 60% of the AUMA tax fund designated for youth gets to the right folks, including homeless youth

Activating Restorative Justice

- + Research grants: Medical, impairment and the program
- + Law enforcement grants: Who gets them in which communities and how do we make sure they are not abused
- + Addressing the racist undercurrents of enforcement
- + Stopping unwarranted searches
- + Designing the drug education programs for youth

Activating Restorative Justice

- + The need for jobs with dignity; Employee rights
- + End drug tests, housing and educational discrimination
- + It's legal; there's no point in losing good workers, tenants
- + Right to grow and consume at home
- + Lots of economic opportunities emerging
- + Ensure that urban poor get a fair share of the profits and jobs

Growing the market

- + Interim and provisional licensing, ordinance development
- + Bringing the underground market above board
 - + Affordability of licenses
 - + Practicability of regulations
 - + Who gets a priority for licensing
 - + Resource management, especially water and energy
 - + Market saturation v. private enterprise

Growing the market

- + Normal marketing considerations of any product
 - + Not everyone is cut out to run a business
 - + The product has to have quality + appeal
 - + The cost has to be competitive
 - + Distribution and promotional strategies are essential
- + BMC appeals process
- + Local appeals process
- + Industrial hemp as a powerhouse of economic growth

Growing the market

- + Boutique v bulk markets, branding and appellations
- + Microbusiness modeled after wineries, craft beers
- + Lots of job opportunities, staffing, consulting, marketing
- + Entrepreneurs, ancillary markets
- + Salaried employees, unionized shops

The Big Picture moving forward



The changing political map of the USA

It's not just California

Map courtesy of NORML.org shows the shifting national legal demographics

The Big Picture moving forward

- + Pressure on Feds to change schedule, banking, IRS 280E tax
- + Feds still might push back on commercial
- + Feds can't make us recriminalize personal use or homegrows
- + DEA and FDA definitions of medicine don't include plants
- + Federal version of "medical" probably a pill, drop or spray
- + Nonmedical marketplace may be ultimate supply for patients

The Big Picture moving forward

- + The global impact of California and seven other states legalizing medical or nonmedical marijuana in a single year
- + Connection to policies in Canada
- + Connection to policies in Mexico
- + Morocco, Uruguay and Jamaica
- + Holland, Spain and Portugal
- + Time for a new UN convention or international agreement.

Discussion, Q&A

- + Roll-out timeline for the different parts of the initiative
- + Any clarifications about the laws, AUMA, MCRSA, 420, 215
- + Clarifications about the licensing process
- + Groups that are working on different aspects of the issue
- + The Newbie's Guide to Cannabis and the Industry
- + Where you fit into the process of change

Thank you California! We did it!



FriendsofProp64.org

legalizeCA2016.com

Yeson64.org

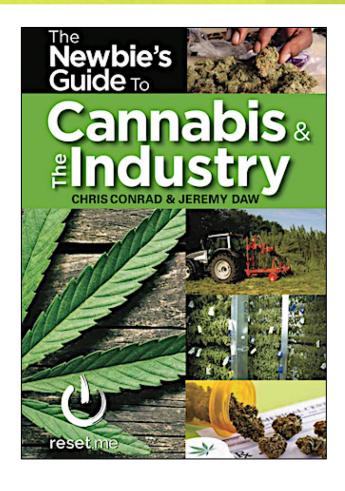
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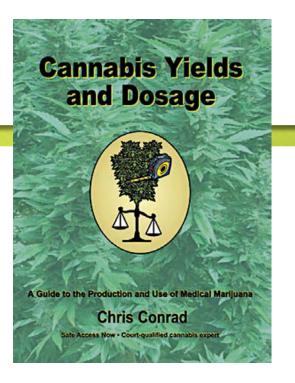
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