



# Americans for Safe Access

Activist Newsletter

Defending Patients' Access to Medical Marijuana

MARCH 2014

Volume 9, Issue 3

## First Dispensaries Earn Certification

*Two Approved in California, More Pending in Six States*

ASA's Patient Focused Certification (PFC) program last month certified the first two dispensaries in the country as meeting the standards issued in 2013 by the American Herbal Products Association (AHPA) and the American Herbal Pharmacopeia (AHP), two established and well-respected organizations that help guide the multi-billion dollar herbal and botanical products industry. The two dispensaries, Berkeley Patients Group and SPARC, are both in the San Francisco Bay Area, but certifications for other medical cannabis businesses are pending in five states.



other operations. To earn certification and the right to use the PFC seal, each business or product must demonstrate compliance with AHPA and AHP standards. That includes trainings for all staff, a detailed audit of operations that includes a scheduled site visit and at least one surprise visit annually, and an independent consumer complaint process. Certification is overseen by a review board of scientists, doctors, and industry and regulatory experts.

"The Patient Focused Certification program is long overdue," said Sebastopol Mayor Robert Jacob, who is also director of Peace in Medicine and SPARC, a San Francisco-based medical cannabis dispensary certified last month.

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PFC is the only nonprofit, third-party certification for the medical cannabis industry and includes distribution, cultivation, analytics and

## Epilepsy Foundation Calls for Access, Research



The Epilepsy Foundation last month endorsed medical cannabis as a treatment option for the 2.3 million Americans who suffer from seizures and called on the federal government to make it available nationwide. In a statement, the foundation said, "the end of seizures should not be determined by one's zip code."

The Epilepsy Foundation announced it will take action to support improved access and research on medical cannabis, including urging the DEA to reschedule cannabis and supporting changes in state laws to make it available to treat epilepsy for adults and children.

The foundation also released a statement from one of its national board members, Orrin

Devinsky, M.D., a professor of neurology and Director of NYU's Comprehensive Epilepsy Center, who said that if he were a parent of a child with a seizure disorder that did not respond to conventional treatments, he would try cannabis-based treatments.

"As a doctor, I would gladly prescribe marijuana products for many of my patients who failed existing therapies if it were legal in my state," Dr. Devinsky wrote. "Trying marijuana or related compounds should be regarded like any other experimental treatment—a shared decision between patient/parent and doctor."

An estimated 1 million epilepsy patients in America do not respond to current treatment.

cannabis is less dangerous than alcohol.

"Classifying marijuana as Schedule I at the federal level perpetuates an unjust and irrational system," says the Congressional letter. "Schedule I recognizes no medical use, disregarding both medical evidence and the laws of nearly half of the states that have legalized medical marijuana."

Congressman Earl Blumenauer (D-OR), the letter's lead author, said in a statement that reclassifying marijuana "is a step the adminis-

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## NEW POLICY ON BANKING FOR CANNABIS BUSINESSES



The Obama Administration last month issued new guidance to financial institutions that allows them to legally do business with cannabis businesses licensed to operate under state laws. Until now, federal money laundering laws have been used to block those businesses from having bank accounts, using credit cards, and other financial services.

The new memorandum issued by the Financial Crimes Enforcement Network (FinCEN) of the U.S. Department of Treasury (DOT) and the Department of Justice (DOJ) reverses a policy aimed at forcing cannabis businesses to be cash-only that began under the Bush Administration and intensified under Pres. Obama. The new policy "clarifies customer due diligence expectations and reporting requirements for financial institutions seeking to provide services to cannabis businesses," according to a press release issued by FinCEN. Institutions covered by the policy include banks, credit unions, and credit card service companies such as VISA and MasterCard.

"We have been pushing the federal government for years to treat licensed cannabis businesses the same as other businesses," said Steph Sherer, Executive Director of ASA, which successfully lobbied members of Congress in 2010 to request a change in policy. "This is a welcome step, but a piecemeal approach to medical cannabis policy cannot replace a comprehensive public health solution."

To date, the Obama Administration has issued several memoranda providing limited guidance for specific executive departments, such as Housing and Urban Development, the DOJ and Veterans Affairs, but has strenuously resisted efforts to change the classification of cannabis to recognize its use in medical treatments, despite scientific consensus.

"Removing the risks associated with cash-only businesses shows the Administration is accepting that the distribution of medical cannabis is being regulated responsibly by the states," said Sherer. "With more than a million qualified patients accessing those services and more than 40% of the US population living in states that regulate medical cannabis, this policy change should be welcomed by businesses in the financial sector, as well."

## Congress Urges Obama to Reclassify Cannabis



Eighteen members of Congress last month formally called on President Obama to use his authority to reclassify cannabis to recognize its medical uses and relative safety. The bipartisan request, which came in letter sent by members of the House of Representatives, notes that the current classification of cannabis "makes no sense," and asks President Obama to "instruct Attorney General Holder to delist or classify marijuana in a more appropriate way." The Congressional letter came just days after *The New Yorker* magazine published an interview with the President in which he acknowledged that

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# California Dispensary One of Many Battling IRS

Despite recent guidance from the Obama Administration designed to ease federal interference with licensed, state-sanctioned cannabis businesses, the owners of a California dispensary were in federal Tax Court last month, fighting an IRS claim for \$875,000 in unpaid taxes.

penary. The IRS says they are barred under section 280E of the federal tax code from deducting any costs of obtaining cannabis or distributing it. That comes from a 1982 law aimed at drug dealers that the Davies' attorney says should not apply to licensed medical cannabis dispensaries.

Lanette and Bryan Davies, who have operated CannaCare in Sacramento since 2005, are arguing they should be allowed to deduct \$2.6 million in business expenses related to their dis-

The IRS has targeted dozens of other licensed dispensaries with this tactic, including some of California's most prominent and well-respected. Several have closed as a result.

## San Diego Passes New Medical Cannabis Regulations

By an 8-1 vote, the San Diego City Council last month created new regulations for medical cannabis dispensaries that will allow up to four to operate in each council district, with one notable exception.

includes downtown San Diego and the neighborhoods of Hillcrest and North Park. The zoning and operating rules replace ones passed in 2011 that were rescinded after advocates collected signatures to force council reconsideration. That left dispensaries within city limits operating without legal status.

Under the new ordinance, dispensaries must be located at least 100 feet from residential zones and 1,000 feet from schools, parks, churches or other dispensaries. Those restrictions mean none can locate in the district represented by Interim Mayor Todd Gloria, which

San Diego has had a large number of raids and prosecutions of medical cannabis providers due to a district attorney who has maintained that state law does not allow dispensaries.

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tration can take to start to rationalize federal marijuana policy to bring it in line with the advances that are happening in the states."

In addition to Rep. Blumenauer, the letter was co-signed by Representatives Steve Cohen (D-TN), Sam Farr (D-CA), Raúl M. Grijalva (D-AZ), Mike Honda (D-CA), Jared Huffman (D-CA), Barbara Lee (D-CA), Zoe Lofgren (D-CA), Alan Lowenthal (D-CA), James McGovern (D-MA), James Moran (D-VA), Beto O'Rourke (D-TX), Jared Polis (D-CO), Mike Quigley (D-IL), Dana Rohrabacher (R-CA), Jan Schakowsky (D-IL), Eric Swalwell (D-CA), and Peter Welch (D-VT).

The Controlled Substances Act establishes several means for changing the classification of drugs, including action by the executive branch under the authority of the U.S. Attorney General or the DEA.

In 2011, the governors of Rhode Island, Vermont and Washington filed a petition to reclassify marijuana for medical use. Colorado Governor John Hickenlooper filed a separate, similar petition. Both are pending before the DEA and could be approved at any time.

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"Patients deserve to know that the products they receive are of the highest standard, and I am relieved there are product safety standards established by a trusted national organization to help guide local governments."

More than one million Americans are legally qualified to use medical cannabis. Many states and localities have regulations to govern businesses and organizations that serve those patients or are adopting new ones that reflect the guidelines issued by the AHPA and AHP.

AHPA standards for the medical cannabis industry cover manufacturing, packaging and labeling of commercial medical cannabis products, as well as dispensary operations and laboratory practices. Late last year, the AHP released a cannabis monograph based on expert scientific consensus that sets standards for the plant's identity, purity, quality, and botanical properties.

ASA has provided trainings to the medical cannabis industry for over a decade and holds a permit from the District of Columbia for mandatory industry trainings. PFC trainings, which are co-produced with the Cannabis Training Institute (CTI), certify adherence to AHPA and AHP standards.

The PFC program is now available everywhere medical cannabis is legal. Certifications are pending in Arizona, California, Washington, Maine and New Mexico.

### ACTION ALERT—Help Fund a Unity Scholarship!

Last year, scholarships enabled medical cannabis patients from 34 states to attend our National Medical Cannabis Unity Conference and lobby day. This year, we're hoping to help even more get to Washington, DC, April 5-7 to learn advocacy skills and lobby Congress. Here are some of the more than 100 committed activists who have applied for scholarships:

**Marcia in Arkansas** is a disabled veteran who "could not have survived " without cannabis but lost access to VA medical care because of using it and is now "fighting hard in Arkansas" to pass the initiative there.

**Zach in Louisiana** has been treating himself effectively with cannabis and wants to help create safe access in the South and find out why it helps some with his condition and not others by "coming together" with other patients "to share what they know."

**Marcie in Colorado** is a hospice nurse with certification in holistic nursing who wants "as many facts in my tool bag" as she can have to be a better patient advocate because "patients deserve safe options and to know the truth."

**Seth in Tennessee** treats his cerebral palsy and Seizures Artistes MS with cannabis on the advice of his doctor to manage the pain and seizures, even though he "hates breaking the law;" he has been lobbying his representatives to make it legal.

Donate today to help patients and advocates like these make a difference for all of us: **AmericansForSafeAccess.org/scholarship.**

## Become a Member

**YES! Please accept my donation**

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