

Cannabis Prohibition Ends In California

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With the passing of Proposition 64, California will finally bring some much needed licensing guidance to the large cannabis industry and allow adult personal use, including possession of products and growing six plants each. Although the law goes into effect now, there is a lot of confusion about retail sales. Because there is still no state licensed structure to supply and dispense any cannabis, medical or recreational, this law will dovetail into the Medical Cannabis Regulation and Safety Act. There is a state bureau in the Department of Consumer Affairs that is creating the licensing for regulating medical cannabis "from seed to sale". The licensing process will be in place January 2018.

With the passing of Prop 64, all commercial production of cannabis products destined for retail sales will be licensed under the process developed by Consumer Affairs. That means retail recreational sales will not be available until 2018. Medical retail sales will continue under local jurisdictions and patients with the state issued cards, available from county public health services and capped at \$100 a year, will be exempt from state sales tax, currently at 7.50% in El Dorado County. Medical patients that spend more than \$100 a month on products would save enough on taxes to pay for the state card.

This state regulation and licensing will allow local jurisdictions to opt out of the medical and/or recreational licensing and prohibit production and sales. Those localities that decide not to allow recreational distribution will not participate in the revenues from the 15% tax collection that goes with sales. El Dorado County is in the process of deciding where we stand with the new processes and we will keep this page posted when those meetings will be held.