M. Vaughn, BOS 1/23/2018 # 38

On January first 2004, Senate Bill 420 came into effect and by February 2004, Medical Marijuana Caregivers Association of El Dorado County was incorporated as a nonprofit collective and registered with the California Secretary of State, filed a fictitious name statement with El Dorado County to use MMCA, secured a Sellers Permit from the California Bureau of Equalization and obtained a Business License from the City of Placerville. The naming of the corporation made clear our intent and by December 2004 I was featured on the front page of the Mountain Democrat.

SB 420 defined the collective model of production with Health and Safety code 11362.775. It did not spell out a chain custody where there was change of ownership of the products involving purchasing, retail markups and reselling.

In 2008 the California Attorney General published Guidelines For The Security And Non-Diversion Of Marijuana Grown For Medical Use soon after the United States Supreme Court affirmed that the Compassionate Use Act does not conflict with the Controlled Substance Act. On the last page of the Guidelines there is an enforcement statement regarding "dispensaries". To quote - Although medical marijuana "dispensaries" have been operating in California for years, dispensaries, as such, are not recognized under the law. As noted above, the only recognized group entities are cooperatives and collectives.

MMCA applied for and received a business license with El Dorado County in 2004 and renewed in 2005 but was soon clawed back by the County Treasurer-Tax Collector after the Planning Department and the Board of Supervisors held meetings without informing known stakeholders to enact local code intended to enforce federal law over California state law.

Taking advantage of the ambiguity of state law regarding "dispensaries" the El Dorado County Sheriff made arrests and submitted cases to the El Dorado County District Attorney that were assigned to a prosecutor who made a career out of shaking down dispensary operators.

MMCA is not a dispensary and yet we were informed last Friday by County staff that, after 14 years as a collective providing safe and affordable access to the qualified patients of El Dorado County, we can no longer grow our own products and can only purchase and resell products sourced from outside of El Dorado County. We will not be authorized by El Dorado County to continue application for state licensing until we, quite literally, abate our weeds. And the reasoning behind halting the operation of a sales tax collecting California corporation was that the "mother-may-I", innovative new business model stifling, "permissive" ordinance code never said that we could grow our own medicine. And then we were handed Jeff Sessions' letter dated January 4th, 2018 with the subject "Marijuana Enforcement".

I'm not sure how much authority will be afforded Mr. Sessions in a California Superior courtroom when injunctive and declaratory relief is sought for the continued operation of MMCA and I don't think this Board really wants to explore that avenue of remedy. We are asking for the Board to direct staff to authorize our application for temporary state licensing that would allow the continued operation of MMCA as a microbusiness that cultivates cannabis in a secure, vertically integrated, state compliant operation as we move forward in good faith to find common, enforceable solutions so that our patients no longer live in fear that El Dorado County will take their medicine.

Matt Vaughn, President MMCA

Office of the Attorney General
Washington, D. C. 20530

January 4, 2018

MEMORANDUM FOR ALL UNITED STATES ATTORNEYS

FROM: Jefferson B. Sessions, III
Attorney General

SUBJECT: Marijuana Enforcement

In the Controlled Substances Act, Congress has generally prohibited the cultivation, distribution, and possession of marijuana. 21 U.S.C. § 801 *et seq.* It has established significant penalties for these crimes. 21 U.S.C. § 841 *et seq.* These activities also may serve as the basis for the prosecution of other crimes, such as those prohibited by the money laundering statutes, the unlicensed money transmitter statute, and the Bank Secrecy Act. 18 U.S.C. §§ 1956-57, 1960; 31 U.S.C. § 5318. These statutes reflect Congress's determination that marijuana is a dangerous drug and that marijuana activity is a serious crime.

In deciding which marijuana activities to prosecute under these laws with the Department's finite resources, prosecutors should follow the well-established principles that govern all federal prosecutions. Attorney General Benjamin Civiletti originally set forth these principles in 1980, and they have been refined over time, as reflected in chapter 9-27.000 of the U.S. Attorneys' Manual. These principles require federal prosecutors deciding which cases to prosecute to weigh all relevant considerations, including federal law enforcement priorities set by the Attorney General, the seriousness of the crime, the deterrent effect of criminal prosecution, and the cumulative impact of particular crimes on the community.

Given the Department's well-established general principles, previous nationwide guidance specific to marijuana enforcement is unnecessary and is rescinded, effective immediately.[1] This memorandum is intended solely as a guide to the exercise of investigative and prosecutorial discretion in accordance with all applicable laws, regulations, and appropriations. It is not intended to, does not, and may not be relied upon to create any rights, substantive or procedural, enforceable at law by any party in any matter civil or criminal.

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[1] Previous guidance includes: David W. Ogden, Deputy Att'y Gen., Memorandum for Selected United States Attorneys: Investigations and Prosecutions in States Authorizing the Medical Use of Marijuana (Oct. 19, 2009); James M. Cole, Deputy Att'y Gen., Memorandum for United States Attorneys: Guidance Regarding the Ogden Memo in Jurisdictions Seeking to Authorize Marijuana for Medical Use (June 29, 2011); James M. Cole, Deputy Att'y Gen., Memorandum for All United States Attorneys: Guidance Regarding Marijuana Enforcement (Aug. 29, 2013); James M. Cole, Deputy Att'y Gen., Memorandum for All United States Attorneys: Guidance Regarding Marijuana Related Financial Crimes (Feb. 14, 2014); and Monty Wilkinson, Director of the Executive Office for U.S. Att'ys, Policy Statement Regarding Marijuana Issues in Indian Country (Oct. 28, 2014).

R. Miller 1/23/2018 #38

January 23, 2018

El Dorado County
Board of Supervisors
330 Fair Lane
Placerville, CA 95667

SUBJECT: Agenda Item 38 File 18-0080 version 1 Commercial Cannabis Permitting

Dear Supervisors:

We are concerned that a long term temporary commercial cannabis cultivation ban will support the blackmarket. The ban reinforces the cynical blackmarket idea that legality is a joke and that they should invest their money into the collective system defense and evasive (to code enforcement) growing techniques.

The Ad Hoc Advisory Committee provides some hope for our small cannabis farms that they will be able to feed their families.

A pilot program of at least 100 cultivation permits will allow family farmers to eat and provide El Dorado County dispensary medicine that County patients need and have grown accustomed to.

A pilot program would be a reasonable first step that allows County staff to better understand the costs of administering a permitting and enforcement program while not having a rush of investors coming into the county. Your staff should be able straightforwardly determine appropriate fees for permitting and enforcement activities through the pilot program.

Thank you for your attention to this matter.

Sincerely,

Rod Miller
Erin O'Neil
El Dorado County Growers Alliance
eldoradogrowersalliance@gmail.com