

MEDICAL MARIJUANA MEASURE PASSES IN MISSOURI

Last night, Missouri voters overwhelmingly supported the creation of a medical marijuana industry.

The prevailing measure, Amendment 2, was widely regarded as the most conventional option on the ballot, and the one most similar to the measures adopted in many other states. This constitutional amendment imposes a 4 percent tax on retail medical marijuana sales, the proceeds of which will be used for veterans' health care.

And critically, the voters gave their support to only one of the three competing ballot measures. In the weeks preceding the election, a consensus of industry insiders, medical marijuana supporters and newspaper editorial boards agreed that (1) Amendment 2 was the best option; and (2) that passing more than one ballot measure would undoubtedly result in litigation and significant delays. The outcome indicates that Missouri voters received the message.

Under Amendment 2, the Missouri Department of Health and Senior Services will be charged with promulgating industry regulations and making license applications available by late spring 2019. The state will issue three categories of licenses: cultivation licenses for growing and selling medical marijuana, licenses to manufacture marijuana-infused products, and dispensary licenses to sell marijuana or marijuana-infused products to qualifying patients. In addition to identifying specific serious medical conditions that qualify a patient to purchase medical marijuana, Amendment 2 gives physicians broad discretion to determine that a given condition qualifies a patient to purchase medical marijuana. Accordingly, Amendment 2 sets large minimum numbers of licenses in each category, to accommodate the expected demand.

Many sophisticated groups planning to file license applications have already assembled their operational team and secured investments to finance their applications. While a large number of licenses will be issued, only the most serious, experienced and well-funded applicants are likely to secure licenses.

While uncertainty remains, it's important to begin the process as soon as possible and consult legal counsel to understand the appropriate next steps should you want to take advantage of this opportunity.

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