

U.S. Politicians Signal Major Shift in Recent Cannabis Policy

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Last week, John Boehner, the former Speaker of the House of Representatives, announced that he was joining the board of Acreage Holdings, a major U.S. cannabis cultivator and distributor. Later that week, President Donald Trump promised the Senator from Colorado that, despite Attorney General Jeff Sessions' position on marijuana, federal prosecutors would not target the marijuana industry in Colorado.

These developments signal a significant shift from major policy-makers in the United States on the status of marijuana as a federal schedule I narcotic. Boehner, a previous opponent of legalizing medical cannabis, declared that he was "convinced de-scheduling the drug is needed" for the purposes of research, assisting veterans and reversing the opioid crisis.

Though President Trump did not go so far as to reinstate the Cole Memo, his assurance gives companies operating in the marijuana industry in the United States some comfort that the status-quo may be maintained. In the wake of last weeks' announcements, stock prices of cannabis issuers saw significant gains, even those without U.S. operations.

While these developments are positive signs for the cannabis industry as a whole, Canadian issuers should not expect the CSA's position outlined in CSA Staff Notice 51-352 (Revised) to change in the near future while marijuana remains federally illegal in the United States.

We Can Help

For more information on how Cassels can assist your business, please contact a member of our firm's cross-disciplinary Cannabis Group.

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