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MEDICAL MARIJUANA IN FLORIDA: AMENDMENT 2'S PASSAGE

November 9, 2016

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Last night the Florida Right to Medical Marijuana Initiative, Amendment 2, received 71 percent approval, far more than the 60 percent required for passage. The passage of Amendment 2 will expand the marijuana industry in Florida – currently dominated by the 2014 Compassionate Medical Cannabis Act, commonly known as Florida's "Charlotte's Web" law – opening the floodgates to what is expected to be a lucrative $1.5 billion industry by 2020.

Amendment 2 dictates that the Department of Health promulgates reasonable regulations for the implementation and enforcement of the Amendment within six months. Those regulations must provide for the registration of Medical Marijuana Treatment Centers ("MMTCs"), including procedures for the issuance, renewal, suspension and revocation of registration, as well as standards to ensure proper security, record keeping, testing, labeling, inspection, and safety. Amendment 2 also dictates that the Department of Health begins issuing qualifying patient and caregiver identification cards, and registering MMTCs within nine months.

For many who seek to operate a grow facility and/or dispensary, their excitement from Amendment 2's passage is quelled by the uncertainty surrounding marijuana at the federal level. Under the Obama Administration, the federal government has not taken action against most businesses operating in accordance with applicable state law, but with a dramatic change coming to Washington in 2017, that position currently taken by the federal government could end overnight.

As those seeking to tap into the budding medical marijuana industry in Florida await the Department of Health's regulations, many are seeking to find partners, such as capital sources and operators. Others are analyzing where they might conduct their operations, since cities and counties across Florida have passed temporary moratoriums as they contemplate how to handle the impending cannabis industry. More than two dozen Florida cities, including Hialeah, Miami Springs, Boca Raton, Delray Beach and Orlando have already regulated or completely banned medical marijuana sales, at least on a temporary basis until they can pass ordinances that fully regulate medical marijuana related activities.

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