

Life in the Corporate State

# PayPal Drops Cannabis Clinicians; Guilt-by-Association Snares Dr. Kerr’s Book on Childbirth

By Stacey Kerr, MD

It was a long-term relationship. It ended badly.

I opened my first PayPal account more than 20 years ago to collect payments through a website I had created, [www.the-doctors-inn.com](http://www.the-doctors-inn.com). Through this site I provided information that would help people make decisions about their medical care. I answered questions ranging from “What does this diagnosis mean?” to “My doctor wants me to take meds for cholesterol —how do they work and are they necessary?”

PayPal worked well for the small amount of financial traffic my site generated. Then I wrote a book, *Homebirth in the Hospital*, describing an approach that protects a woman’s sense of empowerment in an environment that tends to get in the way of a perfectly natural process.

Like all savvy authors I put up a website, [www.homebirthinthehospital.com](http://www.homebirthinthehospital.com), and got a second PayPal account. People buy books off Amazon these days, but I was selling a few personalized, signed copies and that was just fine.

In 2009 I joined the Society of Cannabis Clinicians so I could learn about the science underlying the medical effects of the plant, and hear for myself what other physicians were finding. The SCC is a 501C3 nonprofit organization whose function is entirely educational; its president, Jeffrey Hergenrath, MD, is an old friend. Before long I was serving as Secretary. I helped build a website ([www.cannabisclinicians.org](http://www.cannabisclinicians.org)) and opened a PayPal account so that readers could make donations and physician members could pay their dues with the push of that familiar yellow button.

All went smoothly for more than a year. Then, on June 17, 2012, I received an email from [service@paypal.com](mailto:service@paypal.com) that stated:

We are hereby notifying you that, after a recent review of your account activity, it has been determined that you are in violation of PayPal’s Acceptable Use Policy regarding your sales / offers on <http://cannabisclinicians.org/dues-donations/>.

Under the Acceptable Use Policy, PayPal may not be used for the sale of prescription drugs or devices that violate applicable laws or industry regulations or for products that present a risk to consumer safety. Medical related services fall under this policy as well.

Per the User Agreement, when PayPal permanently limits an account due to an Acceptable Use Policy violation, we may hold your funds up to 180 days. In addition, you will be liable to PayPal for the amount of PayPal’s damages for each violation of the Acceptable Use Policy.

The email was signed, “Sincerely, PayPal Brand Risk Management.”

I was not overly concerned, initially, because the SCC does not sell any drugs or devices. I assumed that a simple phone call to PayPal to clarify things was all that was needed. Perhaps they’d ask for a copy of our Articles of Incorporation and our IRS documents, but once I proved that the SCC is completely legitimate, legal, and has nothing to do with aiding or abetting in the procurement of marijuana or paraphernalia, they would reinstate us.

On June 21, before I had a chance to make that call, two more emails arrived —one at 9:18 a.m. addressed to Jeffrey Hergenrath (without his title as head of the SCC) and one at 9:19 a.m. addressed to me. They were otherwise identical.

Dear Stacey Kerr,

We routinely review account activity in the PayPal system. When we reviewed your account, we noticed that your activity violates some of the agreements you have with us.

Because of this, we’ve limited your accounts and can no longer offer our services to you. You’ll still be able to log in to view your transaction history, but you won’t be able to send or receive money.

What’s the problem?

We noticed one or more of the following problems:

1. You provided information that we believe was false, inaccurate, or misleading; or
2. You sent or received money that was potentially related to fraudulent activity; or
3. You have more than one account with a negative balance; or
4. You are in violation of the User Agreement, the Commercial Entity Agreement, the Acceptable Use Policy, or another agreement you have with PayPal.

If you think that we permanently limited your accounts in error, you may appeal this decision. Just go the Help Center and click Contact Us.

As suggested, I just went to the Help Center, clicked Contact Us, and pushed enough buttons to get me to a live person. I explained my situation to her and asked for clarity: “How did we violate the ‘user agreement,’ or lie, or commit fraud, or do anything else on your list to cause PayPal to limit our account?”

She put me on hold for several minutes, and when she returned she explained that all my PayPal accounts had been “limited,” and that the decision was final and contrary to the emails, could not be appealed.

The conversation continued:

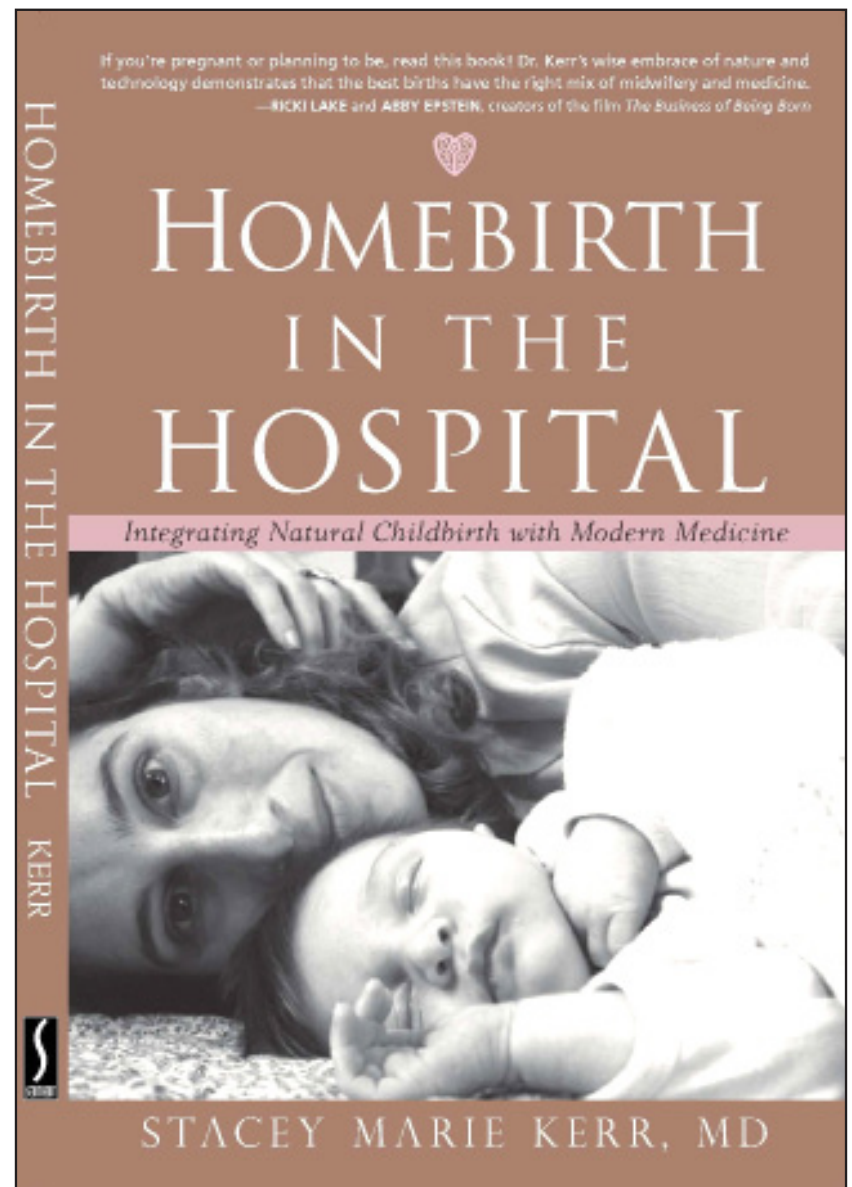
SK: Please tell me why —what are these decisions based on?

PP: We cannot share that information with you. We have a security system and if we shared that information we would put our security at risk, and we cannot risk that.

SK: How could clarifying a decision put your security at risk? I am simply a family physician selling a book about birth. How does that jeopardize PayPal’s



Stacey Marie Kerr MD is a graduate of the UC Davis School of Medicine. She was a Board Certified family physician until she retired her clinical practice. She then published a book on birth and spent over six years writing a medical column for the *Santa Rosa Press Democrat*, which was at that time owned by the *New York Times*. She has been published in *JAMA* and continues to write when she has something to say. She practices medicine on a volunteer basis, serves as the medical director of the Sonoma County Breastfeeding Coalition, is a professional speaker, and Secretary of the Society of Cannabis Clinicians.



STACEY KERR’S BOOK, *Homebirth in the Hospital*, published some 20 years ago, can no longer be purchased via PayPal. The author is Secretary of the Society of Cannabis Clinicians. PayPal had dropped the SCC account a few days before cancelling the account Kerr had established in years ago so that readers could order *Homebirth* online. Blocking the sale of books is so much more refined than banning or burning them. It’s not censorship, it’s just “Brand Risk Management.”

security?

PP: *Silence.*

SK: Please clarify for me the reasons for your decisions. Isn’t it illegal to do what you are doing to me?

PP: *Silence.*

SK: So. You are not going to inform me or talk to me further?

PP: Our decision is final. I suggest you find another way to collect your online payments.

SK *hangs up.*

*PayPal’s refusal to clarify reasons for limiting the SCC account is unconscionable.*

PayPal never gave me a valid reason for their decisions. But here is the only scenario that makes sense, given the information I have:

A search engine picked up the word ‘cannabis’ on the SCC account and identified the group as a security risk based on that word alone. Further searches picked up my personal account since I had used the same email address to register both accounts. My personal account was then limited by a separate division of PayPal. A call to Customer Service slammed the door in my face on both accounts.

*I was extremely lucky that I had left no funds in either PayPal account for them to freeze. Others have, and have regretted it.*

PayPal’s refusal to clarify reasons for limiting the SCC account is unconscionable. Their subsequent actions on my own personal account and their refusal to clarify those actions have identified them as unsafe to the consumer and unreliable in their business practices. I was extremely lucky that I had left no funds in either PayPal account for them to freeze. Others have, and have regretted it.

Life goes on quite well without PayPal. The SCC has a better system for accepting donations through our website. I am happy to be disassociated from PayPal. I will from now on boycott both PayPal and their parent company, eBay. They violate the First Amendment of the Bill of Rights —freedom of speech.

If you do any business with PayPal, know who you are supporting and beware.

### The Society of Cannabis Clinicians’ mission statement:

The Society is an educational and scientific society of qualified physicians and other professionals dedicated to the promotion, protection and support of cannabis for medical use. Its mission is to unite into one association members of the various medical specialties and allied professionals with this common purpose. The goals of the Society are as follows:

- Expansion of knowledge on the medical use of cannabis
- Facilitation of best practice standards for cannabis consultations
- To study, discuss and make recommendations relating to research, practice and policy in the medical use of cannabis
- To further the recruitment of medical graduates and able physicians willing to recommend cannabis to patients
- To maintain and advance the highest possible ideals and service standards in the education, practice and research in the medical use of cannabis.