
Bill Analysis 2020 Regular Session

SPONSORS: Rep. Javier Martínez and Sen. Gerald Ortiz y Pino

SHORT TITLE: Cannabis Regulation Act

SYNOPSIS OF BILL: Establishes a comprehensive regulatory framework for the use, production, and sale, of cannabis and cannabis products in New Mexico for adults over 21 years of age. The bill prohibits cannabis use in public places. Uses tax proceeds to create a Community Reinvestment Fund for job placement, mental health treatment, substance use disorder treatment, and more; an Impaired Driving Safety Fund for public education to promote road safety and responsible use of cannabis for adults and discourage youth use as well as to support low-income medical cannabis patients.

STRENGTHS:

The criminalization of cannabis stopped making sense a long time ago. The experience of eleven other states and the District of Columbia with legalization makes it clear that it's time to enact this sensible reform. This bill would increase public safety while providing economic benefits to our state, including giving young New Mexican entrepreneurs a reason to stay e. The criminalization of cannabis use disproportionately harms young people and people of color, sponsors violence and corruption, and fails to curb youth access.

Instead of improving the safety of our communities, our cannabis laws make criminals out of thousands of otherwise law-abiding citizens and impose a lifetime of punishment on those convicted. A minor cannabis possession conviction subjects an individual to a system of legal discrimination that makes it difficult or impossible to secure employment, housing, or student loans. Even without a conviction, the consequence of an arrest includes stigma and humiliation, and difficult financial burdens of posting bail and hiring a lawyer, and lost hours at work or school.¹

From a fiscal perspective, projections for legal cannabis sales in the first year in New Mexico are approximately \$318 million dollars. With a proposed excise tax of 9%, this would generate nearly \$30 million dollars in tax revenue in the first year alone. At a time when New Mexico is wrestling with a budgetary crisis, these bills could help dramatically improve the fiscal health of our state. While our current cannabis laws create burdens for some, the Cannabis Regulation Act would produce financial opportunities by bringing one of the largest cash crops to the state.

CONCERNS:

This bill requires those who violate sections 31 to 35 of the Act to pay mandatory cash fines ranging from \$50 to \$500. Research shows mandatory cash fines creates reentry barrier for those involved in the criminal legal system. ² The Act also creates felony class violations not existent in current law that requires a mandatory 18 months of incarceration if charged and convicted. The expungement language in the bill does not allow for expungement of convictions for marijuana sales or convictions, activities that would be legalized under this framework.

ADDITIONAL INFO:

For more information on the potential economic benefits of cannabis legalization in New Mexico see “Legalization of Cannabis for Social Use: New Mexico Market Analysis,” O’Donnell Economics and Strategy (2016) updated 2018, as well as “New Mexico and Industrial Hemp: Economic Opportunity for Our Future,” One New Mexico (2015).

Safer	Apolitical	Fiscally-Responsible	Evidence Based	Grade
<p>Legalizing and regulating cannabis is the most effective way to keep New Mexicans safer. The current cannabis scheme based on prohibition is completely unregulated with no proof of age required at purchase, and no health and safety regulations. The criminalization of cannabis use also disproportionately harms young people and people of color, sponsors violence and corruption, and fails to curb youth access Cannabis product testing and packaging is becoming a standard requirement for legalized cannabis markets. This means consumers are better informed about the cannabis they use and educated on how to keep it out of the reach of children. Labeling requires the NM Drug Poison Control Center hotline number.</p>	<p>Polling suggests support for legalization cuts across all ideologies and political parties. 73% of NM residents and a majority of residents in all quadrants of the state support the legalization, regulation, sales to adults 21 & over, and taxation of cannabis.</p>	<p>With a proposed surtax of 9% this would generate approximately \$28.6 million dollars in tax revenue in the first year alone. A majority of the revenues of this tax will be reinvested back into the community to support youth, mental health, substance misuse, job training, research, road safety, and public education. Furthermore, under prohibition, New Mexico wastes public safety resources dealing with cannabis violations when the focus should be on violent, serious crime.</p>	<p>Eleven states and the District of Columbia have legalized cannabis for adults to use socially. Data from these states suggest regulation of cannabis is working. For example: The 2018 Rise Above Colorado Youth Survey confirms the rates of teens’ marijuana use remains consistent: “Despite the concerns, numerous studies conducted both nationally and within the state have found that usage of marijuana and other substances among youth in Colorado is either consistent with previous levels or even lower than the pre-legalization periods. A recent study in the American Journal of Public Health found that Colorado and Washington, the first two states to legalize, have fatal crash rates similar to comparable states without legal marijuana.</p>	<p>B</p>

1 “The War on Cannabis in Black and White,” American Civil Liberties Union (2013).

2. https://www.brennancenter.org/sites/default/files/2019-11/2019_10_Fees&Fines_Final5.pdf