

HB12

nmSAFE

Making New Mexico safe for all children & families

A

Bill Analysis 2021 Regular Session

SPONSOR: Representatives Javier Martinez, Andrea Romero, Deborah Armstrong

SHORT TITLE: Cannabis Regulation Act (CRA)

SYNOPSIS OF BILL: HB 12 regulates the use, production, and sale, of cannabis and cannabis products in New Mexico. The Act creates a responsible, tightly regulated system of approved licensees with a strict set of rules and regulations, developed by the State Regulation and Licensing Department.

STRENGTHS: The criminalization of cannabis stopped making sense a long time ago. Fourteen states (Alaska, Arizona, California, Colorado, Illinois, Maine, Michigan, Montana, Nevada, New Jersey, Oregon, South Dakota, Vermont and Washington) and the District of Columbia have legalized cannabis for adult use. America is in the midst of a sea change when it comes to cannabis. While we should be aware of unintended consequences, legalization and regulation should be reasoned and thoughtful, as laid out in HB 12. HB 12 allows for the personal cultivation (home grow) of a small number of plants for recreational use and creates equity in the marketplace by: allowing individuals with prior cannabis convictions to work and be licensed in the new cannabis industry; creating a microbusiness license enabling small New Mexico businesses to enter the marketplace with licensing fees scaled to the size of the business; requiring the state promote diversity in licensing; and authorizing the Executive to enter into intergovernmental agreements with Indian Nations, Tribes, and Pueblos in connection with legalization. The act also creates protections for the adult use of cannabis including prohibiting police from stopping and searching an individual or vehicle based on the smell of cannabis alone (while retaining the ability to enforce DWI laws), and barring denial of public benefits or health care based on cannabis use. Meanwhile, HB 12 protects children by imposing licensing penalties for selling to minors and criminal penalties for non-licensed adults who give cannabis to minors. HB 12 protects medical cannabis patients and the public's health and reduces criminalization by: automatically expunging records of people with past cannabis convictions and resentencing and releasing people who are currently serving a sentence for a cannabis conviction; creating a reasonable penalty structure for violations of the regulatory scheme; and eliminating fines and fees for minors.

WEAKNESSES: HB 12 has been amended so that revenue generated by the cannabis excise tax goes directly to the general fund, instead of allocating a portion of the revenue to be reinvested back into communities most impacted by prohibition.

www.nmsafe.org

(OVER)

Safer	Apolitical	Fiscally-Responsible	Evidence Based	Grade
<p>Legalizing and regulating cannabis is the most effective way to keep New Mexicans safer.</p> <p>The current cannabis scheme based on prohibition is completely unregulated with no proof of age required at purchase, and no health and safety regulations.</p> <p>The criminalization of cannabis use also disproportionately harms young people and people of color, sponsors violence and corruption, and fails to curb youth access.</p> <p>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>New Mexicans across the political spectrum support cannabis legalization. Overall, 74% support a proposal to legalize, tax, and regulate cannabis sales to adults 21 and over. Just 25% oppose it. In 2007, just 34% supported legalization compared to 51% opposed. This represents a dramatic 40-point shift in public opinion in less than a generation.</p>	<p>With a proposed surtax of 8% this would generate in excess of \$25 million dollars in tax revenue in the first year alone.</p>	<p>It has been more than eight years since Colorado was the first state to implement a legal adult-use marijuana market. Since then, 14 states and D.C. have followed suit. Not only has the experience of these states shown that legalization can be successful, it has also dispelled many of the misconceptions people have regarding legalization, including concerns about road safety and marijuana use among youth after marijuana is legalized.</p> <p>A recent CATO report indicates: “Our data showed that state-level legalization of marijuana had generally minor effects. One notable exception was the increase in state tax revenue from legalized marijuana sales, ... which has exceeded some expectations.” The report updates prior research published by the authors in 2016. That analysis similarly concluded: “[S]tate marijuana legalization [laws] have had minimal effect on marijuana use and related outcomes. The absence of significant adverse consequences is especially striking given the sometimes dire predictions made by legalization opponents.”¹</p>	<p>B+</p>

1 <https://www.cato.org/policy-analysis/effect-state-marijuana-legalizations-2021-update#crime>
www.nmsafe.org