

SB278/HB89

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Making New Mexico safe for all children & families

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Bill Analysis 2017 Regular Session

SPONSOR: Sen. Ortiz y Pino, Sen. Mimi Stewart, Rep. Bill McCamley, Rep. Javier Martinez

SHORT TITLE: Cannabis Revenue and Freedom Act

SYNOPSIS OF BILL: Establishes a comprehensive regulatory framework for the production, processing and sale of marijuana, marijuana items and industrial hemp. Allows adults 21 years and older to legally possess, cultivate, manufacture and sell marijuana to an adult who is at least 21 years of age. Prohibits marijuana use in public places. Uses tax proceeds to fund public schools, treatment programs, public defenders, and pre-booking diversion programs run through district attorneys' offices.

STRENGTHS:

The criminalization of marijuana stopped making sense a long time ago. The experience of eight other states and the District of Columbia with legalization makes it clear that it's time to enact this sensible reform. These bills will increase public safety while providing enormous economic benefits to our state. In states that criminalize marijuana, adolescents consistently say that it's easier for them to acquire marijuana than alcohol. In Colorado, where marijuana was legalized in 2012, fewer young people now use marijuana than they did in 2009, and they do so at a rate that is lower than the national average. SB278 and HB89 also would help fund pre-booking diversion programs. In Seattle, similar programs have reduced recidivism rates by 60 percent. These bills will help address drug abuse by funneling tax revenue from the sale of marijuana into underfunded substance abuse treatment programs. Legalization of marijuana could also help address the well-documented racial disparity in marijuana-related arrests. See "The War on Marijuana in Black and White," American Civil Liberties Union (2013). From a fiscal perspective, projections for legal marijuana sales in the first year in New Mexico are more than \$400 million dollars. With a proposed excise tax of 15%, this would generate in excess of \$60 million dollars in tax revenue. At a time when New Mexico is wrestling with a budgetary crisis, these bills could help dramatically improve the fiscal health of our state.

ADDITIONAL INFO:

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

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<u>S</u>afer	<u>A</u>political	<u>F</u>iscally-Responsible	<u>E</u>vidence Based	Grade
<p>The current marijuana scheme based on prohibition is completely unregulated with no proof of age required at purchase, and no health and safety regulations. Legalizing and regulating marijuana is the most effective way to keep New Mexicans safer.</p>	<p>Polling suggests support for legalization cuts across all ideologies and political parties. In 2007, New Mexico passed a pioneering medical marijuana law that regulates marijuana production and sales at the state level. The program is working well and provides a working model for legalization to follow.</p>	<p>Projections for legal marijuana sales in the first year are more than \$400 million dollars. With a proposed excise tax of 15% this would generate in excess of \$60 million dollars in tax revenue. Furthermore, under prohibition, New Mexico wastes public safety resources dealing with marijuana violations when the focus should be on violent, serious crime.</p>	<p>Eight states and the District of Columbia have legalized marijuana for adults to use socially. Colorado has so much tax revenue coming in they have been able to fully fund schools and bullying-prevention measures.</p>	<p>A</p>