

APPENDIX

Testimony before the NJ Senate Judiciary Committee on Marijuana Legalization

David L. Nathan, MD, DFAPA
June 19, 2017

Good morning Chair Scutari and members of the Senate Judiciary Committee.

My name is David Nathan. Originally from the Philadelphia area, I graduated *magna cum laude* in biology from Princeton University. I received my M.D. from the University of Pennsylvania School of Medicine and completed my residency at the McLean Hospital of Harvard Medical School.

I am a board-certified psychiatrist, and for the past 19 years I have maintained a private practice in Princeton, New Jersey, where I live with my wife and our two teenage children. I am the Director of Continuing Medical Education for the Princeton HealthCare System and the Director of Professional Education for Princeton House Behavioral Health. I am a Clinical Associate Professor at the Rutgers Robert Wood Johnson Medical School. I am a Distinguished Fellow of the American Psychiatric Association, which is the highest membership honor bestowed by the APA. I volunteer as the Physician Advisor for the New Jersey State Chapter of the Depression and Bipolar Support Alliance, and I lecture to patient groups, physicians and the lay public in various settings. I have published numerous articles in the national psychiatric and lay press about a variety of topics, one of which is the legal status of marijuana.

My involvement with New Jersey United for Marijuana Reform led me to create a new organization for physicians: Doctors for Cannabis Regulation (or DFCR). We launched last year as the first and only national medical association dedicated to the legalization, taxation and – above all – the effective regulation of marijuana in the United States. DFCR now has members in 42 states and three US territories. I'm proud to say that this new movement began here in New Jersey, inspired by the efforts of NJUMR's well-respected coalition members and the encouragement of members of the New Jersey Legislature.

Esteemed members of the Senate Judiciary Committee: The time has come to end the prohibition of marijuana in the state of New Jersey.

Marijuana prohibition began in the 1930s – over the objections of the American Medical Association – based on scare tactics and fabricated evidence that suggested that the drug was highly addictive, made users violent, and was fatal in overdose. We now know that none of those assertions are true. Cannabis is less addictive than alcohol and tobacco.¹ It doesn't make users violent,² and there are no documented cases of fatal

¹ Joy, Janet E., et al. *Marijuana and Medicine: Assessing the Science Base*. Washington, DC: National Academy Press, 1999. http://medicalmarijuana.procon.org/sourcefiles/IOM_Report.pdf

² "Learn About Marijuana: Marijuana and Aggression," Alcohol and Drug Abuse Institute, University of Washington, 3/2015. <http://learnaboutmarijuanawa.org/factsheets/aggression.htm>

cannabis overdose.³ In short, from the medical standpoint, marijuana should never have been illegal for consenting adults.

Alcohol Prohibition was repealed after just thirteen years because of unintended consequences: organized crime, increased use of hard alcohol, and government waste.

So, what have we gotten from our eighty-year experiment with marijuana prohibition? Organized crime, increased use of stronger marijuana, and government waste.

Opponents of legalization like to say: "This isn't your parents' marijuana." And they're right. Cannabis cultivation has led to the development of more potent strains, to the extent that illegal marijuana today is typically about three to five times stronger than it was 30 years ago.⁴ In states where marijuana is legal, the government requires potency labeling. Adult users can make informed decisions about their intake based on potency, much as people do with alcohol – say, drinking a small amount of vodka compared with two beers. But in New Jersey, where it's illegal and uncontrolled, marijuana products aren't labeled and users consume an unknown product of unknown potency. Thus, the opposition's claim is a medically sound argument – to legalize and regulate marijuana so that products are properly labeled with potency, ingredients and serving sizes.

Today, more informed opponents of cannabis legalization concede that – more potent or not – marijuana is less dangerous for adults than other legal drugs. Most adults who use cannabis occasionally are not harmed by it,⁵ and alcohol and tobacco pose a far greater threat to public health.⁶

While Doctors for Cannabis Regulation firmly believes in the legalization and regulation of marijuana for *adult* use, it emphatically opposes *underage* recreational use of marijuana. Evidence suggests that both marijuana and alcohol can adversely affect brain development in minors.⁷ Studies of underage users show that health effects are worse when kids start younger and consume more frequently.

³ Collen, Mark. "Prescribing cannabis for harm reduction." *Harm Reduct J.* 2012; 9:1. <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC3295721/>

⁴ Mehmedic, Z. et al. "Potency trends of Δ9-THC and other cannabinoids in confiscated cannabis preparations from 1993 to 2008." *J. Forensic Sci* 2010 Sep; 55(5):1209-1217. <http://www.ncbi.nlm.nih.gov/pubmed/20487147>. References earlier work.

⁵ "Learn About Marijuana: Adult Recreational Marijuana Consumers," Alcohol and Drug Abuse Institute, University of Washington, 3/2015, <http://learnaboutmarijuanawa.org/consumers.htm>

⁶ Fish, Jefferson. *Drugs and Society: U.S. Public Policy*. New York: Rowman and Littlefield, 2006. Chapter 7: Acute toxicity of drugs versus regulatory status.

<https://books.google.com/books?hl=en&lr=&id=xpZhiBuDkuwC&oi=fnd&pg=PA149&dq=Acute+toxicity+of+drugs+versus+regulatory+status+gable&ots=YJHdBVTrbd&sig=K95fnm6TC7k8lI3NMwqZAlqQS58#v=onepage&q=Acute%20toxicity%20of%20drugs%20versus%20regulatory%20status%20gable&f=false>

⁷ "The Influence of Marijuana Use on Neurocognitive Functioning in Adolescents," Schweinsburg, et al. *Curr Drug Abuse Rev.* 2008 Jan; 1(1): 99–111. <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC2825218/>

But cannabis prohibition for adults does not prevent underage use. For decades, preventive education reduced the rates of alcohol and tobacco use by minors,⁸ while underage marijuana use rose steadily despite its prohibition for adults. The government's own statistics show that 80-90% of eighteen-year-olds have consistently reported easy access to the drug since the 1970s.⁹

Opponents of legalization say – again without evidence – that marijuana legalization “sends the wrong message” to kids. In other words, they argue that if a drug or activity is legal for adults, then kids will think it's safe for them.

If there is an association, it is the opposite of what opponents claim. When cannabis is against the law for everyone, the government is saying that marijuana is dangerous for everyone, and kids *know* that's not true. If we adults can't be trusted to tell the truth about responsible adult use of marijuana, why should kids listen to us when we say it's harmful for them? By making a legal distinction between marijuana use by adults and minors, we demonstrate a respect for scientific evidence – and the sanctity of the law – that we would want our children to emulate.

Whether in sex education or drug education, when kids know we're being honest with them and trust the information we're providing, they're more likely to take that advice seriously. And we know that preventive drug education works—the rates of underage tobacco and alcohol use have been falling for many years,¹⁰ even though it remains legal for adults. During that same time, underage marijuana use – which until recently was illegal in all 50 states – has risen.

Today, teen use has remained level across the nation, including in legalized states.¹¹ While we cannot predict the future, there are good reasons to believe legalization may actually decrease underage use.

Government regulated retailers check IDs and only sell cannabis products to adults. Under a regulated system, anyone who gives marijuana to kids would be penalized. Thus, minors will have fewer points of access to the drug.

⁸ U.S. Department of Health and Human Services. *The Health Consequences of Smoking—50 Years of Progress: A Report of the Surgeon General*. Atlanta, GA: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2014.

http://www.cdc.gov/tobacco/data_statistics/sgr/50th-anniversary/index.htm

⁹ Johnston, Lloyd. *Monitoring the Future: National Survey Results on Drug Use, 1975-2008: Volume II: College Students and Adults Ages 19-50*. Bethesda, MD: National Institute on Drug Abuse, 2009.

http://monitoringthefuture.org/pubs/monographs/vol2_2008.pdf

¹⁰ U.S. Department of Health and Human Services. *The Health Consequences of Smoking—50 Years of Progress: A Report of the Surgeon General*. Atlanta, GA: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2014.

http://www.cdc.gov/tobacco/data_statistics/sgr/50th-anniversary/index.htm

¹¹ Substance Abuse and Mental Health Services Administration, *State Estimates of Adolescent Marijuana Use and Perceptions of Risk of Harm from Marijuana Use: 2013 and 2014* (2015) available at https://www.samhsa.gov/data/sites/default/files/report_2404/ShortReport-2404.pdf.

Again, the underage use of alcohol and tobacco – both drugs that are legal for adults – have fallen drastically in recent decades, while the use of marijuana increased during its prohibition. This suggests that the regulation of the cannabis trade, coupled with smart youth education, may actually help decrease underage use of marijuana.

Now I would like to address what may be the biggest misconception about marijuana – namely, that it is a “gateway” to the use of harder drugs. We hear this repeated over and over again, and always without supporting evidence.

A study by the Institute of Medicine, the health branch of the National Academy of Sciences, concluded that marijuana “does not appear to be a gateway drug to the extent that it is the cause or even that it is the most significant predictor of serious drug abuse.”¹²

While it’s true that users of hard drugs often tried marijuana first, they’re even more likely to have tried alcohol and tobacco. And the vast majority of those who try marijuana, alcohol and tobacco don’t go on to use harder drugs. Simply put, the fact that some people who use hard drugs also used marijuana *in no way* implies that marijuana *causes* people to use hard drugs. The marijuana “gateway” hypothesis is an archaic, misleading and oversimplified explanation of substance misuse, and it trivializes the serious discussion of how to address one of the greatest public health crises in history: our nation’s deadly opioid epidemic.

I hope I have addressed some of the major public health issues around marijuana legalization, but I would be happy to answer any questions you may have. Thank you for your time.

Respectfully submitted,



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¹² Joy, Janet E., et al. *Marijuana and Medicine: Assessing the Science Base*. Washington, DC: National Academy Press, 1999, pp. 100-101. <http://www.nap.edu/read/6376/chapter/5#100>



Testimony to the New Jersey Senate Judiciary Committee in Support of S3195; and, Proposed Amendments to the “New Jersey Compassionate Use Medical Marijuana Act” by Kenneth Wolski, RN, June 19, 2017

The Coalition for Medical Marijuana--New Jersey, Inc. (CMMNJ) is pleased that Senator Nicholas P. Scutari (D-Union) introduced S3195, legislation to tax, regulate and legalize marijuana for adults in New Jersey. CMMNJ recognizes the failure of the current policy of marijuana prohibition, the harm to society that marijuana prohibition causes, and the disproportionate racial impact of this policy. Colorado has demonstrated that there are many financial and social benefits that can be anticipated from legalization, taxation and regulation of marijuana for adults.

CMMNJ endorsed legalization of marijuana in New Jersey in January 2014.* CMMNJ believes that ending cannabis prohibition is the best way to get the right medicine to the most people. The Compassionate Use Medical Marijuana Act (CUMMA) passed into law in January 2010, yet only about 12,000 patients have received ID cards from the Medicinal Marijuana Program (MMP), in a state with almost nine million people. Hundreds of thousands of people in New Jersey could benefit from marijuana therapy—perhaps a million or more. Garden State residents have a one in three chance of a cancer diagnosis and a one in three chance of chronic pain at some time in their lives. Moreover, we all die, and marijuana can help with some of the typical symptoms associated with terminal illness better than any other drug. Legalizing marijuana for adults would make it more like an over-the-counter drug, and less like a prescription drug, that is now prohibitively expensive for so many patients in the state. S3195 will make medical marijuana like aspirin--a drug you can buy in a local store, without going to a doctor every couple of months for a recommendation, or having to go to one of only five Alternative Treatment Centers in the state to pick it up.

Along with endorsing S3195, CMMNJ calls for immediate amendments to the Compassionate Use Medical Marijuana Act to:

- Eliminate the 7% tax on medical marijuana as no other medicine is taxed in New Jersey;
- Restore home cultivation (“six plants” per qualified patient) that was called for in the original legislation (S119/A804**) and approved by the New Jersey Senate in February 2009;
- Recognize out-of-state medical marijuana ID cards (also in S119/A804) now that 29 states and Washington, D.C. have these programs;
- Expand the qualifying conditions for medical marijuana to include the original language in S119/A804, along with the 43 petitions to add qualifying conditions that were given initial approval by the Department of Health Medicinal Marijuana Review Panel last month;
- Allow any licensed physician or Advanced Practice Nurse with a current CDS certificate and a practice in the state to recommend medical marijuana for New Jersey patients; and,

- Reschedule marijuana to a more appropriate schedule that acknowledges marijuana's accepted medical uses in the United States, its safety profile, and its low addiction potential.

CMMNJ has concerns about the prohibition of public marijuana smoking in S3195. We believe that this prohibition will not affect patients currently in the MMP, since, according to S3195, "Nothing in...this bill shall be construed: a. to limit any privileges or rights of a medical marijuana patient...as provided in the 'New Jersey Compassionate Use Medical Marijuana Act' P.L. 2009, c.307 (C.24:61-1 et. seq.)" CMMNJ takes this to mean that patients in the MMP can still smoke marijuana in public, essentially anywhere cigarettes can be smoked. However, forbidding "recreational" marijuana smoking in public discriminates against and penalizes the homeless, who have no private chambers that they can retreat to when they want to use legal marijuana. Some of these homeless people are patients who don't qualify for an MMP ID card because they have no address to give to the DOH, nor the money for MD evaluations. In order for them to use marijuana as medicine, they must break the law. This is terribly unfair, and another example of punishing people for being poor. It is also unfair to people who live in Section 8 Housing, or in other subsidized housing, who will be evicted if they are found smoking marijuana in their rooms or apartments. The prohibition on the public use of marijuana means these residents can legally use marijuana, except not in their homes, and not outside their homes either. Additionally, public smoking of marijuana should be allowed for health or safety reasons. If adults are forced to smoke indoors, they may be exposing to smoke vulnerable members of the household—infants or young children, or the frail elderly, or those using home oxygen systems. Marijuana smoking should be permitted at a minimum of anywhere that cigarette smoking is permitted.

Finally, CMMNJ endorses a system of affirmative action in the newly emerging legal marijuana industry for the communities that have been most devastated by the decades-long war on marijuana—the inner cities. The legal marijuana industry will provide ample new employment opportunities. Minority residents in the inner cities must not be excluded from this emerging industry, but instead should be given preference in this industry, at least in terms of opportunities in the inner cities.

CMMNJ is grateful for the leadership shown by Senator Scutari in introducing S3195, and we trust our concerns will be addressed.

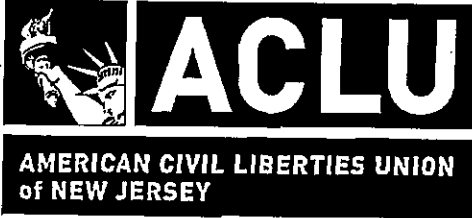


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* "Opinion: N.J. should legalize, tax and regulate marijuana," Wolski, K., The Times of Trenton, 1/24/14. http://www.nj.com/times-opinion/index.ssf/2014/01/opinion_nj_should_legalize_tax.html#incart_river_default

** SENATE, No. 119, Establishes "New Jersey Compassionate Use Medical Marijuana Act."
http://www.njleg.state.nj.us/2008/Bills/S0500/119_R1.HTM

CMMNJ, a 501(c)(3) public charity, provides education about the benefits of medical marijuana.



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**TESTIMONY IN SUPPORT OF THE LEGALIZATION, TAXATION, AND REGULATION
OF MARIJUANA FOR ADULTS**

**DIANNA HOUEYOU, POLICY COUNSEL
AMERICAN CIVIL LIBERTIES UNION OF NEW JERSEY**

SENATE JUDICIARY COMMITTEE

June 19, 2017

Thank you Chairman Scutari, Vice-Chair Gill, and other members of the Committee for holding this important hearing and for the invitation to testify today. My name is Dianna Houenou and I am the Policy Counsel of the American Civil Liberties Union of New Jersey. Founded in 1960, the ACLU-NJ is the state's leading organization dedicated to defending and advancing civil rights and liberties. We are a non-profit, non-partisan organization with more than 45,000 members and donors across New Jersey. The ACLU of New Jersey is a proud member of the steering committee of New Jersey United for Marijuana Reform, a broad-based coalition driven by leaders in the law enforcement, medical, and civil rights communities to work together to support the legalization, taxation, and regulation of marijuana for adults.

The ACLU has opposed marijuana prohibition since 1968. It has helped lead the movement for legalization of marijuana for adults in other states and is working for reform around the country. Reform of our marijuana laws is a civil rights priority and a key component of reforming our broken criminal justice system.

It's Time to Legalize, Tax, and Regulate Marijuana for Adults

It's time to move our state forward: New Jersey's marijuana laws have long been an abject failure and it's time to legalize, tax, and regulate marijuana for adults. We have used our police officers to make hundreds of thousands of arrests in the past decade, yet have little to show for it. In its wake we find a trail of often devastating collateral consequences in peoples' lives after an arrest.

Not all communities are impacted equally by the enforcement of marijuana laws. Black New Jerseyans are arrested for marijuana possession at a rate three times higher than white New Jerseyans,¹ despite government research showing marijuana use is similar among whites and Blacks.² In 2010, our state wasted more than \$127 million in police, courts, and corrections costs

¹ American Civil Liberties Union of New Jersey, *Unequal & Unfair: New Jersey's War on Marijuana Users*, 24 (2017), available at https://www.aclu-nj.org/files/6614/9744/1887/2017_06_14_mj_rpt.pdf.

² According to the 2013 National Survey on Drug Use and Health (NSDUH), Blacks and whites use marijuana at similar rates. See http://www.icpsr.umich.edu/quicktables/quicksetoptions.do?reportKey=35509-0001_all%3A7 (In "Measures of

enforcing our marijuana possession laws.³ In 2013, we wasted more than \$143 million,⁴ even though nearly 60 percent of New Jerseyans believe it should be legal.⁵ These are resources that would be better spent focusing on serious crime and public safety issues and investing in community services and programs.

We have squandered more than \$1 billion in the past decade on arresting New Jerseyans for an activity that several recent United States presidents have engaged in.⁶ The status quo has failed and is causing continued damage to New Jersey communities—it's time to begin fixing our criminal justice system by legalizing, taxing, and regulating marijuana for adults.

A Growing Consensus Supports Legalization, Taxation, and Regulation of Marijuana

Legalization of marijuana is wise public policy and a growing consensus of the public and policymakers demonstrates this support. Two years ago, a Rutgers-Eagleton Poll found that a clear majority—58 percent—of New Jerseyans support legalization, taxation, and regulation of marijuana for adults; up nine points from the year before.⁷ The trends are showing increasing support, with national Gallup polling from last fall showing 60 percent support for the policy change—the highest number on record in the history of the poll.⁸

Today, eight states—Washington, Colorado, Oregon, Alaska, California, Massachusetts, Maine, and Nevada—and Washington, D.C. have legalized marijuana for adults. This support is not limited to one side of the political spectrum. Conservative and progressive leaders and prominent business figures have endorsed legalization. New Jersey should do the same.

New Jersey's marijuana arrests present a racial justice crisis

New Jersey's enforcement of marijuana possession laws has long been a civil rights crisis and is growing worse by the year. Last week, the ACLU of New Jersey issued a report that takes a close look at the arrests New Jersey police made for marijuana possession between 2000 and 2013. The report shows the state is making more arrests than ever before, the racial disparity of those arrests has gotten worse over time, and nearly 90 percent of marijuana arrests are of everyday people for possession of small amounts.

Marijuana Use" drop-down menu, select "Ever Used Marijuana." In "Respondent Characteristics" drop-down menu, select "Race and Ethnicity", then click "Create the Table". In 2013, 42.1 percent of Blacks reported having ever used marijuana, while 48.9 percent of whites reported having ever used marijuana. Similarly, 5.3 percent of Blacks reported having used marijuana in the past year, while 5.2 percent of whites reported using marijuana in the past year.

³ American Civil Liberties Union, *The War on Marijuana in Black and White*, 165 (2013), available at https://www.aclu.org/sites/default/files/field_document/1114413-mj-report-rfs-rel1.pdf.

⁴ See *Unequal & Unfair*, *supra* note 1 at 6.

⁵ Rutgers Eagleton Institute of Politics, Press Release, *Marijuana Legalization for Adults With Taxation and Regulation Supported by Most New Jerseyans: Rutgers-Eagleton Poll* (June 18, 2015), available at <http://eagletonpoll.rutgers.edu/rep-marijuana-apr2015/> (finding 58 percent support for legalization, up nine points from 2014).

⁶ See Ryan Teague Beckwith, *The Next President May Not Have Tried Pot*, TIME MAGAZINE (Feb. 3, 2015), <http://time.com/3633921/president-marijuana-hillary-rubio-rand/>.

⁷ See Rutgers Eagleton Institute of Politics, *supra* note 5.

⁸ Art Swift, *Support for Legal Marijuana Use Up to 60% in U.S.*, GALLUP (Oct. 19, 2016), <http://www.gallup.com/poll/196550/support-legal-marijuana.aspx>.

In 2015, New Jersey law enforcement agencies made 24,985 marijuana possession arrests,⁹ the most ever on record. This is nearly double the number of arrests made in 1993.¹⁰ To put that in perspective, somebody is arrested for marijuana possession in New Jersey approximately every 21 minutes. Marijuana possession arrests make up nearly half of *all* drug arrests in New Jersey each year and is currently the most frequent offense police arrest people for in the state.¹¹

But those arrests are not made proportionally across racial groups. National data shows that whites and Blacks use marijuana at similar rates;¹² however, New Jersey arrests are disproportionately made against Black people. Even though Blacks represented only about 14 percent of the overall population in 2013, they made up 36 percent of the state's possession arrests.¹³ That year, the statewide Black arrest rate was three times higher than the white arrest rate.¹⁴

Blacks were disproportionately arrested for marijuana possession in every New Jersey county, but in four counties—Hunterdon, Ocean, Monmouth, and Salem—Blacks were arrested at four or more times the rate of whites.¹⁵ In four legislative districts—Districts 10, 33, 36, and 21—the rate of Black arrests was eight or more times the rate of white arrests.¹⁶

A single marijuana possession arrest can have devastating consequences for someone and their family. Under our current laws, potential penalties for one offense include up to six months in jail;¹⁷ \$1,255 in fines and fees; a driver's license suspension of up to two years;¹⁸ deportation;¹⁹ eviction from public housing for an entire family;²⁰ a three-year ban from public housing;²¹ loss of student financial aid;²² a five-year ban from adoption;²³ and a criminal record that makes getting a job much more difficult.

These extensive penalties can make it extraordinarily difficult for individuals to move past a marijuana arrest and carry on with their lives. Due to our appalling racial disparities in enforcement, these collateral consequences have a disproportionate impact on communities of color. For instance, a number of studies conducted over the years show that among those with criminal records, Black people fare worse in the job market than whites, despite having the same or similar skills and qualifications.²⁴

⁹ New Jersey State Police, *2015 Uniform Crime Report* 71 (2015), http://www.njsp.org/ucr/2015/pdf/2015_sect_3.pdf.

¹⁰ New Jersey State Police, *1993 Uniform Crime Report* 69 (1994), http://www.njsp.org/info/ucr1993/pdf/1993_sect_3.pdf.

¹¹ See 2015 Uniform Crime Report, *supra* note 9.

¹² See 2013 NSDUH, *supra* note 2.

¹³ See *Unequal & Unfair*, *supra* note 1 at 24.

¹⁴ *Id.*

¹⁵ *Id.* at 31.

¹⁶ *Id.* at 37.

¹⁷ N.J.S.A. 2C:43-8.

¹⁸ N.J.S.A. 2C:35-16.

¹⁹ 8 U.S.C. § 1227(a)(2)(B)(i) (note that while there is an exception for 30 grams or less of marijuana possessed for personal use, this limit is lower than the 50-gram threshold under New Jersey law and the federal exception only applies to a first offense).

²⁰ *Dep't of Hous. v. Rucker*, 535 U.S. 125, 130 (2002).

²¹ 42 U.S.C. § 13661(a).

²² 20 U.S.C. § 1091(r).

²³ N.J.A.C. § 3A:51-5.4(a)(8)(iii).

²⁴ See, e.g., The Council of State Governments, *Researchers Examine Effects of a Criminal Record on Prospects for Employment* (Aug. 20, 2014), <https://csgjusticecenter.org/reentry/posts/researchers-examine-effects-of-a-criminal-record-on-prospects-for-employment/>; Devah Pager, *The Mark of a Criminal Record*, AMERICAN JOURNAL OF

With so many New Jerseyans arrested each year for marijuana possession, these laws have taken their toll on our communities. New Jersey must stop using the criminal justice system to prop up racial injustice. It's time to legalize, tax, and regulate marijuana, and to do so in a way that supports those communities hit hardest by the unjust war on marijuana users.

Savings and Revenue Should be Reinvested in New Jersey Communities

New Jersey stands to bring in more than \$300 million per year in tax revenue from legalizing, taxing, and regulating marijuana.²⁵ The state will face an important question about how to use that revenue and enforcement cost savings.

The ACLU of New Jersey, and our partners in New Jersey United for Marijuana Reform, believe that, at a minimum, revenue should be dedicated to at least two important purposes. The first is on drug abuse prevention and treatment. We should use revenue from legalization to invest in evidence-based prevention programs that work, focused on our youth. We can and should boost our youth drug prevention efforts to make sure young people understand the risks associated with using drugs. Further, as New Jersey continues to suffer from a significant lack of treatment beds²⁶ to tackle the troubling increase in opioid addiction in our state, revenue from legalization of marijuana could be put toward ensuring the state is able to better help those suffering from addiction with more and better treatment beds and programs.

The second is a strategy of justice reinvestment. As not all communities have faced enforcement of marijuana possession laws at the same rates, we believe it is important to reinvest savings and revenue into our communities, including communities of color, that have suffered disproportionately from the war on marijuana users in New Jersey. Investing in treatment, re-entry, job training, affordable housing, and related programs in communities that have borne the brunt of enforcement practices will help ensure that justice, equity, and economic empowerment guide reform of our marijuana laws.

Policy Considerations for Legalizing, Taxing, and Regulating Marijuana for Adults

The ACLU of New Jersey looks forward to working with the Chairman and all lawmakers interested in advancing these critical reforms. Legalizing, taxing, and regulating marijuana is a large undertaking and will necessarily implicate hundreds of policy choices involving criminal justice, taxation, public health, business, agriculture, employment, and more.

S3195 provides a promising starting point for the conversation of what a legal system in New Jersey would look like. Under the bill, regulations would include strict labeling, packaging,

SOCIOLOGY, 108, no. 5 (March 2003): 937-975, available at http://scholar.harvard.edu/files/pager/files/pager_ajs.pdf.

²⁵ See American Civil Liberties Union of New Jersey, *NJ Policy Perspective & NJ United For Marijuana Reform Analysis Projects \$300 Million In Annual Sales Tax Revenue To Come With Legalization For Adults* (May 24, 2016), <https://www.aclu-nj.org/news/2016/05/24/marijuana-legalization-would-bring-100s-millions-nj-tax-reve>.

²⁶ Stephen Stirling, *Dying for help: Treatment options don't meet demand of growing N.J. heroin and opiate epidemic*, NJ.COM (July 27, 2014), http://www.nj.com/news/index.ssf/2014/07/dying_for_help_available_treatment_doesnt_meet_need_of_growing_nj_heroin_and_opiate_epidemic.html.

potency, portion-size, and inspection rules, which will help shape a regime that prevents children from accessing marijuana and safeguard everyone's health and safety. As you continue to examine legalization in New Jersey, we urge you to incorporate three important policy reforms into the legislation:

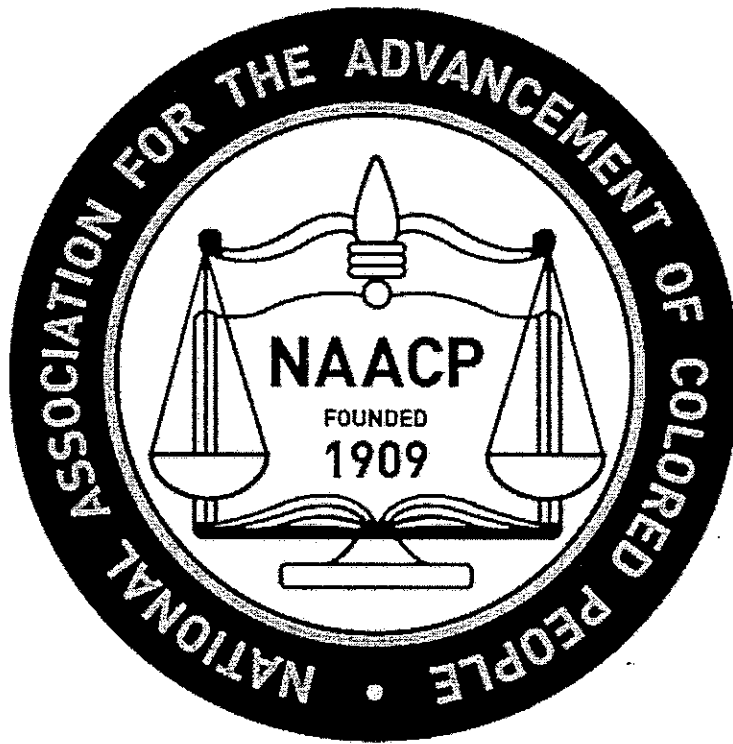
Automatic Expungement of Marijuana Possession Records: If the state legalizes marijuana possession for adults, we should not leave behind the many thousands of New Jerseyans who will continue to have a marijuana possession arrest, charge, or conviction on their record. As has been well documented, a criminal record can have devastating consequences for individuals and hiring an attorney to file an expungement petition is out of reach for many. Automatic expungement for conduct the state decides should be legal is important to ending the overreach of the criminal justice system in this area and demonstrates lawmakers' commitment to justice.

Home cultivation for personal use: Once legal, New Jerseyans should not have to rely on companies or the marijuana industry to possess or use marijuana. The right of New Jerseyans to grow a limited amount of marijuana for personal use, with appropriate regulation, should be protected under the law. Allowing limited home cultivation will allow those with limited mobility to access marijuana and prevent "Big Marijuana" monopolies over the industry supply.

Equitable access to participation in the legal market: New Jersey's regulated marijuana system must be designed to facilitate participation in the marketplace for members of New Jersey communities who may lack access to extensive capital or preexisting industry connections. For legalization to provide the full economic boon it has the potential to provide, the law must make sure that all New Jersey communities, including those that may have had involvement in the underground marijuana industry, are not only permitted, but encouraged to participate in the legal economy. For the legal market to thrive and eliminate the illegal market, we must provide incentives for those who are currently working in the industry in New Jersey to join the legal marijuana industry. S3195 currently provides for the establishment of goals for licensure of minority-owned and female-owned businesses. However, more is needed to ensure that historically disenfranchised communities are not excluded from participating in legal ownership after having borne the brunt of marijuana enforcement. This includes establishing clear conflict-of-interest rules, ensuring that the application process for licenses is not overly burdensome or expensive, and rejecting barriers to entry that would privilege wealthy, out-of-state corporations. Licensure qualifications should not bar people based on criminal history that does not bear on the functions or duties of working in the marijuana industry; unless someone has a history of fraud, corruption, or other inappropriate business practices, we should not be preventing her from applying to be part of this new economy. California's law includes this limitation, and New Jersey should follow suit.

Conclusion

The legalization, taxation, and regulation of marijuana for adults is a critical policy reform for New Jersey and the state should move towards passage of legislation as soon as possible. Chairman, I thank you for introducing the bill, and the ACLU-NJ, together with our partners in New Jersey United for Marijuana Reform, look forward to working with you and stakeholders across the state to safely and responsibly legalize marijuana.



Testimony on the Legalization of Marijuana in New Jersey

Richard Smith, President

NAACP New Jersey State Conference

Senate Judiciary Committee

Thank you to Chairman Scutari, and to the members of the Senate Judiciary Committee for giving me the opportunity to testify before you today.

My name is Richard Todd Edwards and I am here to represent my President Richard T. Smith of the NAACP New Jersey State Conference. I bring you greetings on behalf of our State Conference, the Officers, Executive Committee and members of our 41 Branches throughout the 21 counties in this great State of New Jersey. I say without hesitation or fear of equivocation, that there is no branding – NONE – more recognizable in the country when it comes to civil rights, social justice and equal opportunity. For 108 years we have been at the forefront in the fight for justice. Legalizing marijuana in New Jersey is a civil rights issue. In the words of my colleague all the way across the country in California, NAACP California State Conference President Alice Huffman, and a national leader on this issue, "African Americans are disproportionately affected by the criminalization of marijuana which makes passing the law a civil rights issue. We have empirical proof that the application of the marijuana laws has been unfairly applied to our young people of color. Justice is the quality of being just and fair and these laws have been neither just nor fair."

This is a national problem, but here in New Jersey the problem is clear. African-Americans are nearly three times more likely to be arrested for marijuana possession in New Jersey than a white person, despite the fact that the usage rate is practically the same.

Hilary O. Shelton, vice president of advocacy for the NAACP Washington Bureau, said: "These numbers make [legalization] a civil rights issue. We are usually conservative in terms of the issues that we support, but disproportionate prosecution of African-Americans for drug related offenses for marijuana has called us to fight for legalization in our community. If the laws on drug possession were being enforced correctly, then the number of arrests, prosecutions and prison sentences would be proportionate to our society across the board.

Sadly, that's not the picture."

The NAACP's stand in support of legalization of marijuana supports one of our founding principles. What the NAACP New Jersey State Conference is trying to do is simply what is rooted in our mission: to eliminate racial prejudice wherever it may be. If members of our own community and our elected officials are able to see this as not just a drug issue, but as a civil rights issue, I believe even more individuals across this great State will agree that it's time to legalize, tax, and regulate marijuana in New Jersey.

The NAACP is not encouraging marijuana use; let's not get it confused. Marijuana is not healthy for all people, and particularly young people. But our current system gives TOO MUCH access to marijuana to young people. We need to move marijuana, and marijuana dealers, off of the corners and put it behind the counter where it can be regulated.

So I am proud to be here today with this diverse group of individuals and organizations. From the very beginning we have stood with New Jersey United for Marijuana reform. This group defies expectations -- we are law enforcement, civil rights, medical, religious and criminal justice reform organizations and individuals. We are New Jerseyans and we all stand united in support of reforming our state's marijuana laws. And, make no mistake, we are growing. Drug Policy Alliance as well has launched their campaign working hard to right the wrongs of this failed war on drugs.

Let me give you a little history. The get-tough approach to crime that began in the Nixon Administration and intensified with Ronald Reagan's declaration of the war on drugs has devastated black America. New Jersey's own war on marijuana has also been a failure. In its path, we find the long-term exclusion many offenders face. The *potential* consequences of a marijuana arrest in New Jersey include: up to six months in jail, loss of job and driving privileges, a criminal record, exorbitant fines and fees, an arrest warrant if those fees aren't paid, job discrimination, and threatened loss of public housing and student loans. Across this country, 2.6 million people are behind bars, 4.8 million others are on probation or parole, to say nothing of the millions more whose criminal records stigmatize them for life. Marijuana prohibition is an important piece of that picture. The war on marijuana has failed and this failure has had a devastating impact on black families.

This extraordinary phenomenon has opened the eyes of many across this state and our country and has made the majority agree that legalizing, taxing and regulating marijuana is an important piece of fixing our state and country's addiction to using the criminal justice system to deal with our problems. In 2010, right here in New Jersey, our

government wasted more than \$127 million on criminal justice costs enforcing marijuana possession laws. Just imagine what could have been done with those resources.

Legalization, taxation, and regulation of marijuana for adults is the right choice for this state. In addition to the cost savings ending prohibition, so too would the state bring in tax revenue in a taxed and regulated system. The NAACP supports this approach but will keep a watchful eye on those resources to ensure that when New Jersey moves forward to legalize and tax marijuana—and I am confident that it will—that there will be a re-investment in those communities that have been devastated by this failed system. Senate Bill 3195 must include components to address these harms.

Marijuana legalization must be fair and equitable. There must be investment in the creation of jobs and job training programs, funding a broken education system, and a commitment to public safety, drug prevention and drug treatment programs. We know that well-resourced, evidence-based educational programs are the solution to the drug problems we experience today. It must include policies that provide automatic and retroactive expungement, access to the industry for individuals with prior convictions and those from different socioeconomic backgrounds, the creation of civil penalties for those who operate outside the legal market so as not to perpetuate racial disparities within the criminal justice system, and reinvestment of the revenue generated into those communities most harmed by marijuana prohibition. ***Without these elements*** Senate Bill 3195 would further perpetuate our state's racial disparities and would do nothing to help communities of color who have suffered under the racist policy of marijuana prohibition. We are confident Senator, that with your leadership we will

Hex

have a bill that addresses and repairs the decades of harm inflicted on communities of color.

To be clear, our community will not be the poster child as to why this legalization must take place in New Jersey, but when the savings and revenue materialize we are ignored or moved to the side. We must move towards a safe, legal, regulated marijuana system but we must do it the right way. This change has the potential to create thousands of sustainable, well-paying jobs in agriculture, manufacturing, health and safety, retail, regulators, and other sectors. These opportunities must not only become available to those who have significant capital or major investors to bring to the table—we must make sure that employment and small business opportunities become available to all communities, especially those disproportionately impacted by the enforcement of our marijuana laws.

So for the few years, today, and moving forward, the NAACP has worked and will work diligently as part of this effort to educate New Jerseyans about how the status quo has failed our communities, especially Black communities. New Jersey must legalize, tax, and regulate marijuana to end the harms caused by our current laws, create jobs, increase public safety, and generate revenue that will help all New Jerseyans. It's time to end prohibition, again.

Thank you.



LATINO ACTION NETWORK

TESTIMONY TO SENATE LAW and PUBLIC SAFETY COMMITTEE ON MARIJUANA LEGALIZATION

ANA 'CUQUI' RIVERA, STEERING COMMITTEE
LATINO ACTION NETWORK

June 19, 2017

Thank you very much Chair Scutari and the members of the committee for holding this important and historical hearing on the subject of Marijuana legalization.

The Latino Action Network (LAN) is a grassroots civil rights organization composed of individuals and organizations that are committed to engaging in collective action at the local, state and national levels in order to advance the equitable inclusion of the diverse Latino communities in all aspects of United States society.

LAN supports the legalization, regulation, and taxation of marijuana for adults in New Jersey. It is a well-documented fact that people of color are arrested for marijuana possession at significantly higher rates than whites in some places around the state. We cannot remain idle in the face of the criminalization of our children and adults. This takes place despite the fact that evidence suggests that whites use marijuana at the same rate. Within a certain age group, 18 – 25, Whites actually use marijuana at a higher rate.¹

LAN is a civil rights organization and legalizing, taxing, and regulating marijuana for adults is a civil rights and social justice priority. Through this hearing, we can continue to take a close look at racial disparities across our criminal justice system, the over-criminalization of some communities over others, and to reflect on the wisdom and effectiveness of our drug laws.

A marijuana arrest has significant consequences for individuals, including potential deportation or immigration inadmissibility. A 2015 report by Human Rights Watch found that between 2007 and 2012, 34,337 people were deported from the United States whose most serious criminal conviction was marijuana possession.² These are not kingpins, or even small-time dealers. We are talking about mothers and fathers, who like nearly half of all Americans, have tried marijuana. We are breaking apart families because of our broken marijuana laws. It is a penalty simply too harsh to fit the offense. This is taking place despite the fact that nearly 60% of New Jerseyans think marijuana use should be legal.

¹ *Washington Post*, citing the National Household Survey on Drug Abuse and Health, 2001 – 2010, <https://www.washingtonpost.com/news/wonk/wp/2013/06/04/the-blackwhite-marijuana-arrest-gap-in-nine-charts/>.

² <https://www.hrw.org/report/2015/06/16/price-too-high/us-families-torn-apart-deportations-drug-offenses>.



Likewise, for any person with a conviction, the consequences of incarceration go beyond their time in jail. Reduced to second class status as a result of the black mark on their record, those with such convictions—even minor ones such as this—are left alone to navigate a world in which finding a job, housing, financial aid for higher education, and other benefits becomes significantly more difficult; if not impossible. These effects go beyond the individual and affect the person's family members' lives as well, and, if he or she has children, potentially enforcing the cycle of interaction with the criminal justice system for a new generation.

Like others, LAN is not here because we encourage marijuana use. We do not support the use of marijuana, especially by young people, but we should not be using our criminal justice system to target recreational use among adults. If a person has a problem with marijuana, we should treat it as a public health problem—but data shows that most people who use marijuana do not abuse it. Arresting and incarcerating these individuals amounts to a terrible misuse of our criminal justice resources. Our communities still struggle with crime, but arresting marijuana users is not how resources should be spent. Yet marijuana possession arrests make up nearly half of all drug arrests statewide—this is a scandal.

Individuals, particularly young people, in our community also have easy access to marijuana under our current system. We support taking marijuana off of the streets and moving it behind the counter in a legal, controlled, regulated system to make it harder for young people to get access to marijuana. Just like we don't see many moonshine stills around New Jersey, or many places to buy tobacco on the illegal market, so too should the uncontrolled marijuana market become a thing of the past.

While the numbers are relatively low, our communities remain concerned about those who abuse marijuana through overuse. That is why it is so critical that we legalize, tax, and regulate it. We need the resources that such taxation will generate to fund responsible drug prevention and education programs, and to fund much-needed and underfunded drug treatment programs. This is why the revenue generated by legalizing, taxing and regulating Marijuana needs to be proportionally invested in communities that have long been negatively impacted.

Drug abuse remains a serious public health problem in New Jersey, but marijuana enforcement is not where we should be focusing our energies. Let's use this opportunity to generate revenue for treatment beds, inpatient and outpatient services, and to pay for the public health boost that we need.

Thank you very much.



Statement of Chris Beals
President and General Counsel of Weedmaps
Before the Senate Judiciary Committee
June 19, 2017

Introduction

Chair Scutari, Vice-Chair Gill, and members of the Senate Judiciary Committee, thank you for providing me with the opportunity to speak with you today about the cannabis industry in the United States, the potential for this industry in New Jersey, and the insights gained from the eight states and the District of Columbia that currently regulate adult-use cannabis.

My name is Chris Beals, and I serve as the President and General Counsel of Weedmaps, the oldest and largest technology company serving the regulated cannabis market across the United States, Canada and Europe. Our company was founded in 2008 and provides a range of technological solutions to this nascent industry. While Weedmaps is best known for having the largest and most accurate online directory of dispensaries, delivery services, and doctors, we also offer industry-tailored point of sale systems, a HIPAA-compliant software solution for doctors, and leading online content platforms like Marijuana.com and Weedmaps TV. Our company currently employs over 300 staff, is headquartered in Irvine, CA, and has offices in Denver, New York City, Toronto, Barcelona, Phoenix, and Berlin.

Because Weedmaps has a global footprint, works with participants at all layers of the supply chain, and does not engage in any business which touches the plant – we believe we have a uniquely broad and agnostic perspective of what marijuana regulations and laws have worked and have failed. We are also able to draw upon the largest set of proprietary industry data to help us better understand the health of legalized systems. We are committed to working with lawmakers, regulators, industry participants, non-governmental organizations and trade groups to organize comprehensive marijuana policy solutions that accommodate existing marijuana businesses, enable industry growth and address the public safety, health, tax and community reinvestment goals of legislators and regulators. The central tenet of our policy is to encourage legalization of marijuana in a reasonably regulated legal market that minimizes the illegal market for marijuana while protecting the concerns of citizens.

Weedmaps is committed towards advancing sound, responsible policies here in New Jersey. Towards that end, I am both a board member and Vice President of the New Jersey Cannabis Industry Association, a nonprofit trade group dedicated to establishing a responsible, well-regulated cannabis industry in the State.

Overview of the National Cannabis Industry

The regulated cannabis industry in the United States is large and growing rapidly. Following the November 2016 election, eight states and the District of Columbia now have adult-use cannabis laws. Additionally, with the recent passage of legislation in West Virginia, 30 states and the District of Columbia have medical cannabis laws.¹

¹ National Conference of State Legislatures. "Marijuana Overview," April 3, 2017 <http://www.ncsl.org/research/civil-and-criminal-justice/marijuana-overview.aspx#3>; and NORML. "Medical Marijuana," <http://norml.org/legal/medical-marijuana-2> (accessed June 2017).



Taken together, these regulated medical and adult-use cannabis markets comprised a \$6.6 billion industry in 2016 according to the market research firm New Frontier Data.² I should note that we believe this number, although widely cited, is significantly lower than reality as we believe based on our data that the market in Los Angeles County alone approached \$4 billion last year. Nonetheless, it provides a useful framing for conservative estimates of industry impact. If employment levels nationally are comparable to those levels identified in an October 2016 economic impact analysis conducted for the State of Colorado, then this industry directly employed an estimated 83,434 full-time equivalent (FTE) workers. Including direct, indirect, and induced employment, the regulated industry supported an estimated 119,310 FTE jobs nationwide in 2016.³ As a point of comparison, the coal mining industry directly employed 50,400 workers as of March 2017.⁴

As existing markets mature and additional states adopt medical and adult-use cannabis laws, this industry is projected to expand considerably. The National Conference of State Legislatures notes that “nineteen states have bills pending that would legalize adult-use marijuana,” and states like California, Massachusetts, Nevada, and Maine are on-track towards implementing their own adult-use systems in 2018 following the passage of ballot initiatives last November. Accordingly, analysts are bullish about the future growth of the United States cannabis industry. The investment firm Ackrell Capital forecasts that legal sales of medical and adult-use cannabis will reach \$23.0 billion by 2020 and \$37.3 billion by 2024.⁵ I believe this estimate will prove to be low.

Such rapid growth will necessarily involve the creation of tens of thousands of jobs. Assuming employment levels comparable to those in Colorado, a \$23.0 billion industry would employ upwards of 290,756 FTE workers.⁶

The bottom line is that this expansion will have a positive impact on national, state, and local economies since legal cannabis—when properly regulated—drives economic growth and adds tens of thousands of jobs to the American economy.

Tax Revenue Potential of the Cannabis Industry: Snapshots of Colorado, Washington, and Oregon

Another positive impact of implementing medical and adult-use cannabis laws is tax revenue generation. Despite the fact that the regulated cannabis sector is still in its infancy, this industry has proven to generate hundreds of millions of dollars for state, county, and local governments. One need only look at the states of Colorado, Washington, and Oregon to highlight the substantial tax revenue

² New Frontier Data. *The Cannabis Industry: Annual Report: 2017 Legal Marijuana Outlook, Executive Summary*, p. 2.

³ Marijuana Policy Group. *The Economic Impact of Marijuana Legalization in Colorado*, October 2016, p. 5 and 9.

⁴ US Bureau of Labor Statistics. Employment, Hours, and Earnings from the Current Employment Statistics Survey, Series ID CES1021210001, All employees, thousands, coal mining, seasonally adjusted, March 2017.

⁵ Ackrell Capital. *U.S. Cannabis Investment Report 2016*, p. 49. Note that this figure excludes Ackrell Capital’s projected sales generated from cannabinoid-based pharmaceuticals.

⁶ These employment figures are calculated by dividing the \$23.0 billion industry revenue projection by an industry revenue-to-employment ratio identical to the figures within the Marijuana Policy Group’s 2016 economic impact analysis for Colorado. Marijuana Policy Group. *The Economic Impact of Marijuana Legalization in Colorado*, October 2016, p. 5 and 9; and Ackrell Capital. *U.S. Cannabis Investment Report 2016*, p. 49.



potential of this industry. In 2016, Colorado, Washington, and Oregon generated \$198.5 million, \$185.7 million, and \$60.2 million, respectively.⁷

Opponents of medical and adult-use cannabis laws make bold claims about how legalization results in burdensome regulatory and enforcement costs that outweigh gains in tax revenue. However, these claims couldn't be further from the truth. The cannabis industry eagerly awaits a comprehensive, state-commissioned cost-benefit analysis of adult-use legalization by the Washington State Institute for Public Policy, which will be released in September 2017. In the meantime, it's worth noting that tax revenue has far exceeded state regulatory costs, and reductions in marijuana-related arrests have saved adult-use states millions of dollars in enforcement, judicial and incarceration costs.⁸

In Colorado, the cannabis industry has generated so much tax revenue that in fiscal year 2016-17, the State's Marijuana Tax Cash Fund distributed \$40 million to school capital construction, \$5.7 million to the Public School Fund, \$4.4 million to the Early Literacy Competitive Grant Program, \$2.3 million to the School Health Professional Grant Program, \$900,000 to the School Bullying Prevention & Education Grant Program, and \$900,000 to drop-out prevention programs.⁹ Local governments also stand to benefit. As an example, in 2016, Adams County, CO dedicated \$516,718 in cannabis taxes to college scholarships targeting low-income students.¹⁰

Given the entrenched nature of the illegal market, transitioning cannabis consumption into the regulated, taxed market takes years and is marked by a broad range of challenges—important issues that I will address in greater detail. Nonetheless, the cannabis industry is a proven driver of tax revenue generation and can play an important role in addressing the fiscal challenges facing state, county, and local governments across the country and, with proper regulation, this can be achieved while generating minimal social and economic costs. I think one excerpt from a recent Cato Institute report looking at the effect of State marijuana legalization is especially telling: “Our conclusion is that state-level marijuana legalizations to date have been associated with, at most, modest changes in marijuana use and related outcomes.” The paper continued to note, that “[t]he absence of significant adverse consequences is especially striking given the sometimes dire predictions made by legalization opponents.”¹¹

Overview of the Current Cannabis Market in New Jersey

As policymakers in New Jersey consider building a legal framework for the adult-use cannabis market, there are a few statistics that serve as a useful starting point. Whereas the Department of Health's Medical Marijuana Program had 10,799 active registered patients as of February 2017, according to the federal government's National Survey on Drug Use and Health, an estimated 894,000 New Jersey

⁷ Colorado and Oregon are for calendar years 2016; Washington is for fiscal year 2016. Oregon Department of Revenue. *Oregon Marijuana Tax Statistics*, 2016; Nigel Jaquiss. "Oregon's Recreational Cannabis Tax Revenue for 2016 Exceeded Original Estimate More Than Six-Fold," in *Willamette Week*, January 21, 2017; Colorado Department of Revenue. *Marijuana Tax Data*, 2016; Staff. "Colorado Sells More Than \$1 Billion of Marijuana in 2016," in *Associated Press*, February 10, 2017; Washington State Liquor and Cannabis Board. *Marijuana Dashboard*, 2016; and Debra Borchardt. "\$1 Billion in Marijuana Taxes Is Addictive to State Governors," in *Forbes*, April 11, 2017.

⁸ As an example, in FY 2015-16, the State of Colorado generated \$157,511,445 in marijuana fees and taxes while the total expenditures of the Colorado Department of Revenue's Marijuana Enforcement Division stood at \$10,163,003. Colorado Department of Revenue, Enforcement Division. *Report to the Joint Budget Committee and House and Senate Finance Committees of the Colorado General Assembly Pursuant to Subsection 12-43.4-104(6), C.R.S.*, April 2017. Drug Policy Alliance. *So Far, So Good: What We Know about Marijuana Legalization in Colorado, Washington, Alaska, Oregon and Washington, D.C.*, October 2016, p. 4-5.

⁹ Colorado Department of Education. *Fact Sheet: Marijuana Tax Revenue and Education*, September 2016, p. 1.

¹⁰ John Aguilar. "What Is Adams County Doing with Its Half Million Bucks in Pot Taxes?" in *The Denver Post*, May 1, 2016.

¹¹ Cato Institute. *Dose of Reality: The Effects of State Marijuana Legalizations*, September 2016, p. 1.



residents used marijuana in 2015—roughly one out of every ten individuals.¹² I highlight these figures at the outset because in order to craft sensible policy for this industry it is critical to first acknowledge the fact that a robust market for recreational marijuana already exists in New Jersey. This market simply exists in an unregulated, unorganized, and untaxed form serviced by black market operators.

As such, the passage of adult-use cannabis legislation is ultimately about transitioning the production, sale, and consumption of marijuana from the illegal to the legal market and structuring this industry in a manner that meets public health and safety concerns, drives economic growth, adds thousands of jobs to the New Jersey economy, and generates hundreds of millions of dollars in tax revenue. To do this effectively, the laws must be structured in a way to encourage both businesses and consumers to enter the legal market where they can be effectively regulated.

Projections for New Jersey's Cannabis Industry

The economic impact of adult-use cannabis legislation in New Jersey would be substantial. As the May 2016 report by New Jersey Policy Perspective and the American Civil Liberties Union of New Jersey highlights, a properly-regulated cannabis industry will generate an estimated \$1.2 billion in annual sales and \$305.4 million in annual tax revenue.¹³ Assuming an industry employment-to-revenue ratio comparable to that in Colorado, New Jersey's cannabis industry would directly employ an estimated 15,170 FTE workers. Including direct, indirect, and induced employment, this industry would support a total of 21,693 FTE jobs statewide.¹⁴ This says nothing about the possibility that even further job creation is possible if New Jersey positions itself at the forefront of science and research in equipment and technology for use in the industry or the positive externalities that are generated in real estate or professional services.

Should New Jersey pass sensible adult-use cannabis legislation in the near future, such legislation also has the potential to position New Jersey as an industry leader both on the East Coast and nationally.

Insights Learned from Other States

While the passage of adult-use cannabis legislation bears great promise for the State of New Jersey, a poorly crafted and overly burdensome regulatory framework will severely undermine a smooth transition from the illegal to legal market. States like Colorado, Washington, and Oregon have all encountered challenges in establishing functioning legal cannabis markets, and each face lingering illegal markets. New Jersey stands to benefit from the insights gained from their experiences.

In order to facilitate a smooth transition to the regulated market, the cannabis industry requires a policy framework that will enable it to compete with the illegal market on access, price, and quality and

¹² US Department of Health and Human Services, Substance Abuse and Mental Health Services Administration. *2014-2015 National Surveys on Drug Use and Health: Model-Based Estimated Totals*, Table 72 – Selected Drug Use, Past Year Alcohol Use Disorder, and Past Year Mental Health Measures in New Jersey, by Age Group: Percentages, Annual Averages Based on 2014-2015 NSDUHs; and New Jersey Department of Health. *The Department of Health Medical Marijuana Program: 2016 Annual Report*, p. 8.

¹³ New Jersey Policy Perspective and American Civil Liberties Union of New Jersey. *Marijuana Legalization & Taxation: Positive Revenue Implications for New Jersey*, May 2016, p. 8.

¹⁴ These employment figures are calculated by dividing the \$1.2 billion industry revenue projection by an industry revenue-to-employment ratio identical to the figures within the Marijuana Policy Group's 2016 economic impact analysis for Colorado. Marijuana Policy Group. *The Economic Impact of Marijuana Legalization in Colorado*, October 2016, p. 5 and 9; New Jersey Policy Perspective and American Civil Liberties Union of New Jersey. *Marijuana Legalization & Taxation: Positive Revenue Implications for New Jersey*, May 2016, p. 8.



conversely encourages as many of the potential illegal operators as possible to enter the regulated system. Absent such a framework, the legal market will struggle to take root, and the illegal market will persist. The City of Seattle is a case in point. Despite the passage of an adult-use ballot initiative in 2012, the illegal market captures an estimated 50-60 percent of total cannabis sales.¹⁵ This has been driven by a number of factors including (i) an overly high excise tax rate; (ii) out-of-state ownership restrictions which constricted access to equity and debt capital and forced out-of-state operators to open illegal shops; (iii) dispensary density in Washington that is less than 1 dispensary **per 13,000 people**; and (iv) onerous ad and signage restrictions that force legal operators to run shops that look more like speakeasies as opposed to the more luxurious spaces seen in Colorado and other states.

As the New Jersey Legislature moves forward with drafting legislation to legalize and regulate adult use of cannabis, we at Weedmaps and the New Jersey Cannabis Industry Association look forward to working with you to develop a policy framework that addresses these challenges and makes New Jersey a national leader in this emerging industry. Thank you again for the opportunity to speak today and I look forward to continuing this conversation in the coming months.

¹⁵ Washington state provides mid-range and high-end estimates for the overall market value of their cannabis industry of \$1.33 billion and \$1.61 billion, respectively. Unlike Washington, we estimate that the actual market size was over \$2 billion based on comparison of its population to those in parts of California and the consumption rate in those regions. In FY 2016, sales from licensed marijuana dispensaries totaled \$786.4 million. We estimate, as does Washington State, that remaining sales went to illegal and gray market operators. Washington State Liquor and Cannabis Board. "Marijuana Dashboard: Sales and Excise Tax Totals," <https://data.lcb.wa.gov/stories/s/WSLCB-Marijuana-Dashboard/hbnp-ia6v/>; and BOTEC. Estimating the Size of the Medical Cannabis Market in Washington State, December 2015, p. 2.



Who Weedmaps Is

Weedmaps was founded in 2008 on the premise that consumers needed reliable data about marijuana, its effects and where to legally purchase lab tested products. Since then, Weedmaps has grown to provide a broad range of technology and advertising services. Weedmaps has over 300 employees and is headquartered in Irvine, California with offices in Denver, New York City, Toronto, Barcelona, Phoenix and Berlin. Our central business mission is to enable companies in the industry to meet the regulatory and competitive needs of a rapidly evolving market through advertising, software and data solutions.

Because Weedmaps has a global footprint, works with participants at all layers of the supply chain, and does not engage in any business which touches the plant – we believe we have a uniquely broad and agnostic perspective of what marijuana regulations and laws have worked and have failed. We are committed to working with lawmakers, regulators, industry participants, non-governmental organizations and trade groups to organize comprehensive marijuana policy solutions that accommodate existing marijuana businesses, enable industry growth and address the public safety, health, tax and community reinvestment goals of legislators and regulators.

What We Do

Since our inception in 2008, Weedmaps has been the leading innovator in developing software and platforms that drive the cannabis industry. Our platform consists of the following main verticals:

- **Weedmaps Core:** This platform provides advertising services to dispensaries, delivery services and doctors. For dispensaries and delivery services we provide the ability for consumers to browse menus and products as well as reviews.
 - *Menus:* Menus are generated by manual entry or can be updated real-time through integration with third-party point of sale systems. We accept direct menu updates from numerous POS' and provide an open API for additional POS' to push menu data.
 - *Lab Data:* Lab data on the platform is only pushed directly from accredited laboratories and we currently receive lab data from over 130 labs with more coming online each month. All lab results expire and have to be refreshed with new data. We recently launched support for full cannabinoid and terpene testing information and are actively working to educate labs, brands and dispensaries that including broader lab testing results is critical for consumer safety and decision-making.
 - *Photos:* We employ over 100 freelance photo and video professionals to populate the site with detailed and informative photos that showcase what products dispensaries carry. This service is provided free to ensure customers get the best data possible.
 - *Competitors:* The primary competitors to Core are Yelp and Google Local. We also face competition from dozens of copycat sites which steal our data and infringe our IP. Simply put, we seek to differentiate ourselves by providing better lab data, learning tools and information to consumers.
- **Weedmaps Brands:** Launched in February 2017, the Brands platform is revolutionary new product that allows marijuana brands to tell their brand story, showcase their products and surface reliable data on lab testing and where products can be purchased. It also allows consumers to review and discuss products and their effects.
 - *Anti-Counterfeiting:* The Brands platform combats counterfeiting and surreptitious product movement by allowing Brands to review and verify dispensary menu listings claiming to sell their products.



- *Consumer Safety*: Consumers can see a verified product mark on dispensary menu items that have been verified by the Brand. Additionally, they can review the applicable product description and consumer reviews for applicable verified product.
- *Photos*: Like the Core platform, we have spent over a year generating product photos for Brands to ensure that consumers can get a better visual sense of products.
- **MMJ Menu & The Green One**: These platforms are dispensary point of sale systems with MMJ Menu being used in the U.S. and Canada and The Green One being used in Spain. MMJ Menu is compliant with numerous state reporting systems and is one of the most utilized POS systems in the U.S.
- **Safe Access MD (SAMD)**: SAMD is a cloud-based software solution that allows cannabis doctors to administer and manage prescriptions and patients. The system is currently used by doctors throughout the U.S. and allows them to maintain compliance with state-specific law.
- **Marijuana.com/Weedmaps TV**: The platforms are the outlet for our news and lifestyle content. Through these platforms we publish content ranging from investigative journalism to product reviews to current event coverage. On our video platform, we provide content that includes medical learning, industry events and lifestyle.

Our Policy

The central tenant of our policy is to encourage legalization of marijuana in a reasonably regulated legal market that minimizes the illegal market for marijuana and doesn't treat marijuana as if prohibition is only "half-abolished" while protecting the concerns of citizens. The key planks of our platform include:

- *Access*: Ensure sufficient access for customers and patients so that they don't turn to illegal markets or are deprived of a legal source of purchase. Looking at existing illegal market data in legalized markets, we strongly believe that a dispensary densities of at least 1/7,000 people is necessary to prevent oversized illegal markets and enable sufficient patient access.
- *Lab Testing*: Mandate robust standards for lab testing and requires labs to maintain independence from licensed operators. Periodically review and revise standards as research on cannabis evolves.
- *Safety*: Continuously seek to improve safety for consumers and minimize negative externalities to the general public. Keep regulations tailored to these needs and seek cost-effective means to accomplish these goals while not breaking marijuana markets. Adopting an iterative and responsive approach to legislation that addresses issues as they arise or seem likely to arise as opposed to over-regulating in the absence of any data.
- *Taxation*: Keep initial tax rates low and avoid multiplicative layers of taxation across levels of government to minimize the illegal market, encourage customers to use the system and ensure sufficient margins for marijuana businesses to spend on lab testing and infrastructure.
- *Efficient Markets*: Ensure that the marijuana industry has a chance to succeed by minimizing restrictions on cross-licensure or requirements for unnecessary layers like monopolistic, independent distributors (*i.e.* Tied House). Ensure requirements for licensing are well tailored to legitimate needs such as public safety, taxation or enforcement.
- *Enforcement*: Ensure that enforcement efforts against illegal operators is based on an evidentiary approach and that law enforcement or regulators have a clearly tasked mission that protects consumers and clearly delineates the legal market. Accept that law enforcement or regulatory policing are the only means to accomplish these goals and attempts to utilize tax authorities, consumer penalties, advertising restrictions or other circuitous means of enforcement have consistently failed in other industries (*e.g.* livery cabs, alcohol, home sharing).



Intelligence MEMOS

From: Rosalie Wyonch
 To: The Honorable Bill Blair, Parliamentary Secretary to the Justice Minister
 Date: April 10, 2017
 Re: **WITH LEGAL WEED THE GOVERNMENT MUST CHOOSE REVENUE OR REGULATED MARKET, NOT BOTH**

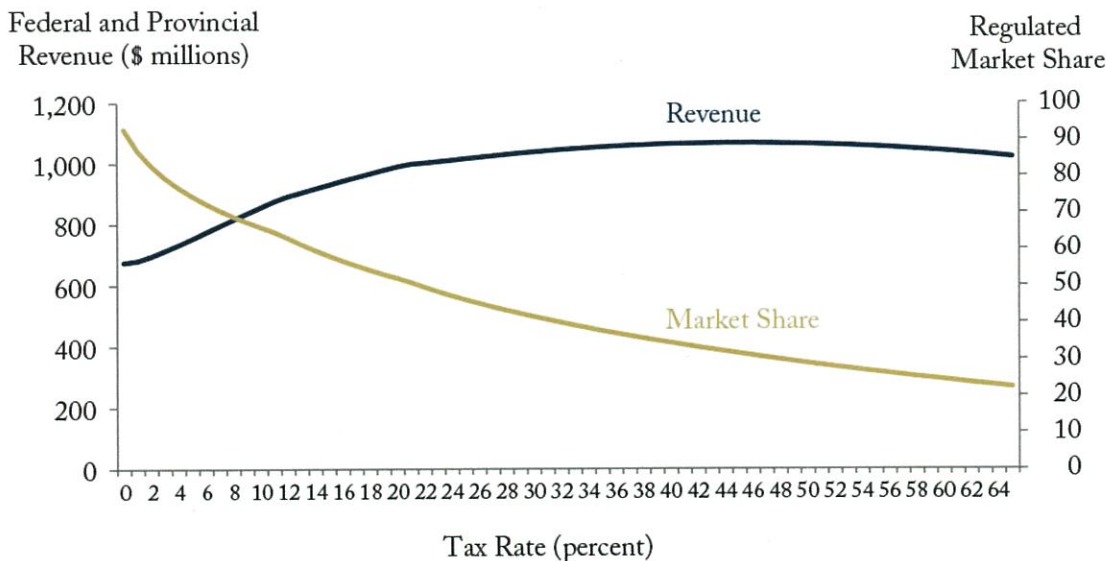
The federal government is rumored to be releasing its plans to legalize marijuana for recreational consumption this week. Budget 2017 also assured everyone that it “will take steps to ensure that taxation levels remain effective.” [Projections](#) estimating that 4.6 million Canadians will consume about 655 metric tons of marijuana in 2018. That’s a lot of marijuana for both federal and provincial governments to tax to generate a windfall of tax revenue. Due to the existence of a prolific black market, however, there is a tradeoff between public health concerns and revenue generation meaning that the government can choose a regulated market or large revenue generation but not both.

If the government taxes marijuana heavily, it will ensure the continuation of the black market and will be undermining its efforts to control the substance. If the tax rates are very low, however, then governments will generate little revenue and consumption of marijuana may increase due to low prices and a newly accessible legal supply. Lower tax rates, however, have the public health benefit of discouraging the illicit market which ensures more regulated product.

There is significant uncertainty about the future of prices and demand for marijuana upon legalization. To be competitive with the illegal market, legal marijuana must be priced similarly: a \$1 premium between legal and illegal weed results in about [35 percent of the market remaining unregulated](#). This gives all the more reason for the government to be cautious about levels and type of taxation.

Given current prices in the legal and illicit market, adjusted for potency of active ingredients, and the willingness of consumers to pay a premium to access the legal market for marijuana, I estimate that applying only federal and provincial sales tax (GST/HST, PST) results in over 90 percent of the marijuana market being regulated and \$675 million in annual revenue (Figure 1). However, if the government were to generate \$1 billion in revenue, only about half of the market would be regulated, leaving over 300 metric tons of consumption in the black market. Any increase in taxes beyond this level serves to increase the share of the black market and generates little additional revenue. With the regulation of marijuana, the government has a choice to make: either legitimize the market or generate large revenues, not both.

Taxation of Regulated Marijuana Market



Source: [Parliamentary Budget Office](#), [CannStandard](#), Author's Calculations

Rosalie Wyonch is a Policy Analyst at the C.D. Howe Institute.



Minimizing the Illegal Market for Marijuana

Recreational and medical marijuana legalization in the United States has served to reduce the size of illegal markets in legalized jurisdictions. However, despite these reductions, a very sizeable illegal market for marijuana continues to thrive in every legalized jurisdiction and undermines the benefits which legalized marijuana offers. Illegal markets for marijuana rob state and local government of tax dollars while continuing to drive up policing and incarceration costs as unregulated market participants amass large volumes of unbanked revenue. Additionally, there is ample evidence in cities throughout North America that when illegal markets exceed low levels, policing efforts consistently fail to remedy the situation (see, e.g. San Jose, Santa Ana, Detroit, Toronto). The primary driver of marijuana illegal markets is the combination of: (i) policies which overly restrict the availability and ease of purchasing marijuana through legal channels, (ii) high effective tax rates and compliance costs on legal marijuana and (iii) insufficient quantity and quality of legal marijuana for sale in a market.

As elected officials, regulators and voters move towards more defined legalization on a state and local level, it is critical that marijuana policy reforms be designed with a goal of reducing illegal markets.

Estimations of Current Illegal Market in Selected Cities

The table in Appendix A illustrates for comparison some of the current estimated illegal market levels in other cities and corresponding data on dispensary density, pricing and taxation. Estimations of illegal market rates range from 30% in Denver, Boulder and Colorado Springs where dispensary density ranges from 1/2887 to 1/4126 and effective tax rates hover slightly above 30% to 50-60% in Seattle where dispensary density is roughly 1/10695 and the effective tax rate is 37%. In each of the cities we reviewed, illegal market pricing generally ranged significantly lower than that of legal market pricing with the trend being more exaggerated in those markets where higher illegal market rates persist.

Factors that Contribute to Illegal Markets

Low Dispensary Density: Restrictive caps and zoning rules impede access and inflate costs, often forcing consumers to turn to illegal marijuana markets. While more data needs to be compiled, initial studies have found that density of marijuana dispensaries is unrelated to property and violent crimes.¹

Limitation to In-State or In-City Operators or Employees: Prohibiting actors from outside the applicable jurisdiction to either own, operate or finance marijuana businesses immediately either (i) drives these operators to operate in the illegal market or (ii) forces them to utilize handshake deals, licensing or management agreements or other marked up services to extract de facto ownership economics. Both outcomes lead to a loss of control for the jurisdiction. Washington State has some of the most restrictive out-of-state ownership and lending rules and this has made it extremely difficult for small operators to access expansion or startup capital. We have also had discussions with multiple operators

¹ Freisthler, Bridget, William R. Ponicki, Andrew Gaidus, and Paul J. Gruenewald. "A micro-temporal geospatial analysis of medical marijuana dispensaries and crime in Long Beach, California." *Addiction* 111, no. 6 (2016): 1027-035. doi:10.1111/add.13301.



in California and Oregon who “shadow own” large operations in Washington through a variety of mechanisms.

Well-Funded Incumbents Losing Licensing: Artificially limiting the number of licenses at the state or local level could effectively force otherwise compliant, safe, and experienced businesses outside of the legal market. Many of these operators are well funded and, in many cases, have been paying taxes in an attempt to achieve legitimacy. These operators will have the capital and the experience to quickly open legal operations.

Constrictions on Accessing Capital (Debt or Equity): Inability to access capital to either start legalized operations or expand and professionalize increases illegal operators and hurts the compliance levels of legal operators. Capital constrictions commonly happen due to the following: (i) limitations on lenders or investors from outside the jurisdiction, (ii) requirements that lenders or minority investors go through rigorous qualification as a license owner, and (iii) rules that would prohibit lenders from taking control of assets in the event of a bankruptcy or insolvency.

Strong Desire by Incumbents to Remain: In informal discussions with numerous dispensary, cultivation and processing operators, there has been a consistent theme that (i) overly restrictive regulation may take away their only source of livelihood and (ii) operators who are left without licensing will continue to attempt to operate in whatever manner possible.

High Effective Tax Rate: High effective tax rates place the legal market at a significant competitive disadvantage relative to the illegal market. Recognizing the relationship between high effective tax rates and the strength of the illegal market, states such as Washington and Oregon have moved to reduce tax rates on the industry, and ballot initiatives across the nation have adopted lower tax rates as well.² If tax levels are not appropriately set and narrowly tailored, the price of legal marijuana will dramatically increase as will the incentive for consumers to turn to the illegal market.

Over-Restriction of Advertising: There is a need for advertising limits to reduce public nuisance and to ensure advertising isn't attempting to target children; however, many states' advertising restrictions go too far and make it difficult for legal operators to differentiate themselves from illegal operators while hurting the ability to build consumer trust and awareness around safe, lab tested brands. Advertising restrictions that broadly limit advertising on certain mediums (e.g. billboards, radio) or having professional store signage provide limited public benefit while forcing operators to appear more like speakeasies than licensed shops. Additionally, despite wildly varying advertising restrictions in Washington, Oregon, California and Colorado, there are almost no discernable differences in youth usage rates or similar harm indicators – which only underscores the limited benefit of these ad restrictions.

Lower Supply Quality: Experienced operators with expertise with specific industry sectors or products should be allowed to enter the legal market. Established brands with lab testing and consumer loyalty are a natural combatant to illegal market sales. Marijuana consumers have traditionally shown a willingness to buy the best product regardless of source.

² Henchman, Joseph, and Morgan Scarboro. "Marijuana Taxes: Lessons from Colorado and Washington." Tax Foundation. February 16, 2017. Accessed June 01, 2017. <https://taxfoundation.org/marijuana-taxes-lessons-colorado-washington/>.



Constraints on Supply: Most top brands are not currently operated by dispensary owners. Without licensing independent cultivators, manufacturers and processors, supply levels will drop and price levels will rise as most existing dispensary licensees lack the expertise and facilities to provide sufficient marijuana products to meet estimated market demand.

Lack of Lounge or Social Consumption Venues: In Barcelona and Amsterdam, marijuana social lounges have both prevented public nuisance and reduced illegal markets by allowing legal points of sale to justify higher costs with a social meeting space and not permitting the consumption of products bought outside the premises. Denver is now moving forward with the same model. Reducing, eliminating, or not considering these spaces removes one of the key areas in which legal cannabis retailers can gain a competitive advantage over their illegal counterparts.

Policy Recommendations

To reduce and ultimately eliminate illegal markets, five key objectives should form the basis of marijuana regulatory policy:

1. **Ensuring Sufficient Access:** The number of marijuana businesses needs to create sufficient levels of access via dispensary density, hours of operation and delivery service such that legal access is reasonably convenient. Some local governments restrict the points of purchase for marijuana below that of any other consumer or pharmaceutical good while others have adopted complete bans.

➤ **Policy Recommendations:**

- Zoning rules that ensure a ratio of at least one dispensary or delivery service per every 7000 residents.
 - Set strong health and consumer protection standards while allowing for broad participation within the regulatory framework. Welcoming all businesses that can demonstrate compliance with the law to participate provides consumers greater access to safe and licensed marijuana.
 - Limitations should not be placed on operators or managers living in the jurisdiction; or if needed, should only apply to 25% or less of such individuals.
 - Those who have been subject to criminal conviction solely for the manufacturing, cultivation or sale of marijuana should not be disqualified from receiving permits.
 - Applications for permits should be reviewed and permits be issued within 30 to 90 days. Correspondingly, attempts to shut down existing operators should be commenced only after the issuance of the new licenses to avoid encouraging additional illegal operators.
 - There should be enough testing labs to meet the needs of local marijuana business, and guidelines for responsible lab operations should be developed.
 - Finally, local governments should authorize dispensaries to have on-site consumption lounges to reduce public nuisance and encourage purchase from legal sources.
2. **Tailored Taxation Models:** Tax policies should be established with ample flexibility to be adjusted upward and downward quickly based on illegal market conditions, and tax proposals should only be



made with a full understanding of how the resulting effective tax rate would contribute to either fueling or subduing the illegal market.

➤ **Policy Recommendations:**

- State and local governments should set tax rates at levels that appropriately balance tax revenue generation and illegal market reduction. Research shows that effective tax rates (inclusive of state, local, and supply-chain taxes) exceeding 20% have diminishing returns for tax revenue generation but significantly increase the size of the illegal market.³
 - Taxes should generally only be placed on the sale to consumer to avoid multiplicative taxation through the supply chain.
 - To the extent that state and local governments seek to generate revenue from up-supply chain operators (e.g. lab testing facilities, cultivators, manufacturers and processors), a flat annual licensing fee model as opposed to a taxation model should be adopted for these operators. Data from cities across the US shows a strong correlation between inflated effective tax levels on these operators and outsized illegal markets. Additionally, due to the federal 280E rules, legislators should be mindful that these businesses already have inflated tax rates.
 - In the case of the annual licensing fee for cultivators, consider setting the fee on a price per square foot of cultivation space model with such fee not to exceed \$15.00 per square foot.
 - State and local regulatory agencies should review and adjust tax rates annually based on several factors including illegal market levels.
3. **Providing for Safe and Diverse Supply:** Limits in regulated marijuana supply can cause legal marijuana prices to skyrocket while illegal markets can find alternative sources more fluidly. Despite this, the effect of price differences can be mitigated if there are higher quality products and desired brands being sold through legal channels. To accomplish this, there should be a trend towards more cultivation and processing licenses to ensure robust competition to create premium products and sufficient supply to legal points of sale.

➤ **Policy Recommendations:**

- Do not limit the number of cultivation, processing, manufacturing and distribution permits. Instead use zoning rules that are narrowly tailored to ensure that there are low barriers to entry to the legal market, which—unlike the unregulated market—is subject to inspection, monitoring and taxation rules. Cities can create a thriving export business to other parts of the State as well as enable operators to become innovators and leading operators within the industry.

³ C.D. Howe Institute. *Intelligence Memos: With Legal Weed the Government Must Choose Revenue or Regulated Market, Not Both*, April 10, 2017 https://www.cdhowe.org/sites/default/files/blog_Rosalie_0410.pdf.



- Allow co-location and sublicensing of cultivation, processing and manufacturing permits on compliant premises to ensure that the hundreds of brands and companies operating can deal with possibly limited space for operation without resorting to the illegal market.
 - Provide permits for processing using both volatile and non-volatile solvents. Consumer taste for concentrate products overwhelmingly leans towards BHO and other products utilizing volatile solvents. Additionally, there is a growing body of evidence that the products made using these extraction methods have a more diverse set of therapeutic uses including for the treatment of PTSD and opioid dependence. Failure to permit and allow for processing using volatile solvents will drive a massive underground market.
 - Mandate an open-source Seed-to-Sale tracking system to monitor inventories and movement and enable identification of any suspicious patterns; such system could be the same as that mandated by the State.
 - Ensure the ability to conduct spot audits during regular business hours on marijuana products at any point in the supply chain to carry out lab testing or look for safety issues.
 - Allow cultivators, processors and manufacturers to obtain lab testing and directly distribute their products to retail points of sale.
4. **Effective Advertising Policies That Are Analogous to Alcohol:** The rush by jurisdictions to place draconian advertising laws can thwart the move to reduce illegal operations while providing little social benefit. The end result is legalization that appears like “half legalization” and legal operators choosing other jurisdictions where they can operate their businesses in a normalized professional manner. The other side cost of over-restricting advertising is that businesses have weaker trademark protection and brands that are less suitable for licensing into other jurisdictions.
- **Policy Recommendations:**
- Generally look for parity in alcohol and marijuana advertising restrictions. Allow marijuana brands and dispensaries enough advertising options to create brand recognition for trademark protection purposes and to differentiate themselves from illegal operators.
 - Restrict advertising that depicts people under the age of 21 consuming marijuana or that is predominantly targeted to children. Adopt a touch and feel approach to advertising rules as opposed to carte blanche restrictions on the use of cartoon logos or whimsical trademarks.
 - Allow dispensaries to have visible storefronts and have signage commensurate with liquor establishments to force them to compete on store quality, cleanliness and curbside appeal. This has the added benefit of increasing buildout expenditure by dispensary owners which, in turn, increases their desire to maintain compliance.
 - Follow the federal advisory guidelines for alcohol advertising and only allow advertising in channels where it is reasonably believed that 71.6% of the viewers are 21 and over.
5. **Ensuring Access to Capital:** Failure to ensure sufficient access to capital creates a less professionalized industry and leaves illegal operators without the means to enter the legal market.



Additionally, more open access to capital can help ensure that business ownership is not just limited to high net worth individuals and encourage local small business owners.

➤ **Policy Recommendations:**

- Only place ownership restrictions and registration requirements on persons who own 20% or more of the applicable business.
- Do not place in-state ownership or lending requirements, or if there is a feeling such policies are needed, only have such rules apply to a percentage of the licenses.
- Ensure that lenders have the ability to take control and operate licenses in the event of a bankruptcy or insolvency. Provide an accelerated path for lenders to liquidate and transfer licenses to purchasers who have been approved by the applicable regulatory authority.
- Allow for the free transfer of licenses in the secondary market subject to approval of the purchaser by the licensing authority.
- Set aside a portion of state tax revenue for a financing fund to provide startup financing for minority or women-owned license operators.

6. **Ability to Reactively Adjust Policy:** The legal marijuana market is still in its early stages of development and continues to evolve rapidly. Accordingly, policy should enable regulators to adjust density and operation of marijuana businesses to quickly respond to spikes in illegal market usage.

➤ **Policy Recommendations:**

- Organize a dedicated marijuana regulatory agency that is authorized to increase the number of operators on a rolling schedule based on several factors including illegal market operating levels, and has the ability to offer licensing in regions where data shows illegal markets remain high.
- Review tax rates and distribution of marijuana points of sale and adjust to minimize remaining illegal market levels.

7. **Efficient Data, Monitoring and Safety:** The illegal market for marijuana is poorly understood in most jurisdictions. Regulators must be given robust and real-time data to quickly adjust marijuana policy to effectively undercut illegal markets before they become rooted. At the same time, the data collected must be well tailored to avoid driving up already high administrative and compliance costs for operators.

➤ **Policy Recommendations:**

- Regulators at the state and local level should be required to review data and adjust the foregoing to meet a series of criteria including illegal market levels.
- Marijuana regulatory agencies and local governments should prepare annual reports on the estimated illegal market levels in the city which identifies key causes and geographic areas where illegal sales are a concern. Licensing, zoning, taxation and other rules should be reviewed and adjusted considering these findings.



- All marijuana businesses should be required to provide periodic data to the marijuana regulatory bodies that includes volume and tracking data from the Seed-to-Sale systems as well as retail data from point of sale systems.
- To the extent on-site consumption is permitted, dispensaries should be liable for intoxicated patrons after they leave the establishment in the same manner as bars.
- Marijuana businesses should be required to have security measures which are at least commensurate with those for alcohol and pharmaceutical products. These security requirements should not place crippling cost or administration requirements on the businesses but should be at least sufficient to enable accurate monitoring and control by law enforcement.



Appendix A



Updated June 13, 2017

Jurisdiction	Estimated Illegal Market Level	Points of Sale per Person in Region (legal and grey) ⁱ	Delivery Services	Estimated Effective Tax Rate (aggregate)	Estimated Legal Market Price per Ounce/Eighth (Excluding Tax) ⁱⁱ	Estimated Illegal Market Price per Ounce/Eighth ⁱⁱⁱ
Los Angeles, CA (under Prop D)	70-80%	1/28870 ^{iv}	Mixed	15 ^v	260-300/35-50	150-200/20-35
Los Angeles, CA (350 points of sale)	Proj. 45-55%	1/11097	Yes – from bricks and mortar	Est. 40-45 ^{vi}		
Denver, CO	20-30% ^{vii}	1/2887 ^{viii}	No	37.15 ^x	170-250/20-40	150-200/20-35
Boulder, CO	20-30% ^x	1/4126 ^{xi}	No	33.5 ^{xii}	165-200/28-40	150-180/20-45
Seattle, WA	50-60% ^{xiii}	1/10695	No	37 ^{xiv}	280-420/30-55	160-200/20-45
San Francisco and Oakland	TBD	1/9792	Yes	8.5 ^{xv}	280-360/40-60	220-260/20-40
Santa Ana, CA	55% ^{xvi}	1/15192	Not specified		230-400/35-60	150-240/35-45
San Jose, CA	80% ^{xvii}	1/49926	Yes – only 2 licensed delivery services. ^{xviii}	18.75 ^{xix} (>45 under Prop 64)	270-320/35-55	200-250/25-40
Anaheim, CA	TBD	1/10147 ^{xx}	Dispensaries prohibited, deliveries not addressed in city ordinance.		250-330/30-40	150-240/35-45
Long Beach, CA ^{xxi} (under Measure MM)	50-60% ^{xxii}	1/14669	Deliveries will be allowed by licensed dispensaries.	15.75 ^{xxiii} (>45 under Prop 64)	260-360/30-60	200-320/25-55
Long Beach, CA	TBD	1/4941 ^{xxiv}	Dispensaries prohibited, deliveries are not addressed in the city ordinance. ^{xxv}		260-360/30-60	200-320/25-55
Portland, OR	35% ^{xxvi}	1/4688	Yes ^{xxvii}	25 ^{xxviii}	160-260/25-55	140-190/20-30
Las Vegas, NV	TBD	1/16147 ^{xxix}	Yes	10.25-16.25 ^{xxx}	240-325/30-55	170-270/30-50
Phoenix, AZ	58% ^{xxxi}	1/45848 ^{xxxii}	Not covered in city ordinance. ^{xxxiii}	6.6 ^{xxxiv}	200-360/35-55	160-240/25-45

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- ⁱ Number of dispensaries determined by the 2013 Census population figure divided by the number of listings on Weedmaps.
- ⁱⁱ Data generated from Weedmaps' databases.
- ⁱⁱⁱ Data generated from average of data points on craigslist and market survey during the period of July 2016.
- ^{iv} Assumes population of 3.88 million and 135 dispensaries.
- ^v 9% sales tax rate in LA county plus 6% marijuana gross receipt tax rate.
- ^{vi} Los Angeles tax estimate includes state taxes imposed by Proposition 64 (15 percent retail excise tax, \$9.25 tax per dry-weight ounce of cannabis flower, and \$2.75 per dry-weight ounce of cannabis leaves), Los Angeles sales tax (8.75 percent), and local cannabis taxes authorized by Measure M.
- ^{vii} Downs, David. "The Economist: pot legalization is crushing black market in Colorado." SF Gate. February 17, 2016. Accessed May 8, 2017. <http://blog.sfgate.com/smellthetruth/2016/02/17/economist-pot-legalization-is-crushing-black-market-in-colorado/>.
- ^{viii} Data generated from Weedmaps' databases and Colorado Marijuana Enforcement Division.
- ^{ix} This number is calculated by adding the 15 percent state marijuana excise tax, the 15 percent state marijuana tax, the 3.65 percent Denver general sales tax, and the 3.5 percent Denver special tax. Colorado Department of Revenue, Taxpayer Service Division. *Excise 23: Excise Tax on Retail Marijuana*, June 2016 <https://www.colorado.gov/pacific/sites/default/files/Excise23.pdf>; Colorado Department of Revenue, Taxation Division. "Sales Tax Rates," June 2017 <https://www.colorado.gov/pacific/tax/sales-tax-rates>; and City of Denver, *City and County of Denver, Colorado Tax Guide, Topic No. 95: Marijuana — Medical and Retail*, April 2015 https://www.denvergov.org/content/dam/denvergov/Portals/571/documents/TaxGuide/Marijuana-Medical_and_Retail.pdf.
- ^x Downs, "The Economist: pot legalization is crushing black market in Colorado."
- ^{xi} Data generated from Weedmaps' databases and Colorado Marijuana Enforcement Division.
- ^{xii} This number is calculated by adding the 15 percent state marijuana excise tax, the 15 percent state marijuana tax, and the 3.5 percent Boulder city excise tax. Colorado Department of Revenue, Taxpayer Service Division. *Excise 23: Excise Tax on Retail Marijuana*, June 2016 <https://www.colorado.gov/pacific/sites/default/files/Excise23.pdf>; Colorado Department of Revenue, Taxation Division. "Sales Tax Rates," June 2017 <https://www.colorado.gov/pacific/tax/sales-tax-rates>; and City of Boulder Colorado. "Recreational Marijuana Businesses," (accessed June 2017) <https://bouldercolorado.gov/tax-license/recreational-marijuana-businesses>.
- ^{xiii} Washington state provides mid-range and high-end estimates for the overall market value of their cannabis industry of \$1.33 billion and \$1.61 billion, respectively. Unlike Washington, we estimate that the actual market size was over \$2bn based on comparison of its population to those in parts of California and the consumption rate in those regions. In FY 2016, sales from licensed marijuana dispensaries totaled \$786.4 million. We estimate, as does Washington State, that remaining sales went to illegal and gray market operators. Washington State Liquor and Cannabis Board. "Marijuana Dashboard: Sales and Excise Tax Totals," <https://data.lcb.wa.gov/stories/s/WSLCB-Marijuana-Dashboard/hbnp-ia6v/>; and BOTE. *Estimating the Size of the Medical Cannabis Market in Washington State*, December 2015, p. 2.
- ^{xiv} Washington State Department of Revenue. Taxes due on marijuana. August 26, 2016. Accessed May 8, 2017. <http://dor.wa.gov/Content/FindTaxesAndRates/marijuana/Default.aspx>.
- ^{xv} Downs, David. "San Francisco Dispensaries' Annual Sales Estimate: \$41 Million." East Bay Express. February 24, 2017. Accessed May 8, 2017. <http://www.eastbayexpress.com/LegalizationNation/archives/2012/01/31/san-francisco-dispensaries-annual-sales-estimate-41-million>.
- ^{xvi} Staggs, Brooke Edwards, and Jessica Kwong. "Santa Ana's black market for pot: The city has twice as many unlicensed marijuana shops as legal ones." Orange County Register. March 29, 2016. Accessed May 8, 2017. <http://www.ocregister.com/2016/03/29/santa-ana-black-market-for-pot-the-city-has-twice-as-many-unlicensed-marijuana-shops-as-legal-ones/>.

27.



- xvii Survey of local market participants.
- xviii Kendall, Marissa. "San Jose lifts ban on cannabis delivery, allowing startup to start up." The Cannifornian. April 12, 2017. Accessed May 08, 2017. <http://www.thecannifornian.com/cannabis-business/san-jose-lifts-ban-cannabis-delivery-allowing-startup-start/>.
- xix Includes 8.75 percent San Jose sales tax and 10 percent Marijuana Business Tax and Prop 64 estimate includes state taxes imposed by Proposition 64 (15 percent retail excise tax, \$9.25 tax per dry-weight ounce of cannabis flower, and \$2.75 per dry-weight ounce of cannabis leaves).
- xx Based on roughly 30-40 delivery services currently listing that they operate in the region.
- xxi Long Beach is implementing Measure MM, approved by voters in November, 2016. Though the city currently bans dispensaries, estimates are based off 32 licensed dispensaries allowed pursuant to Measure MM.
- xxii While Long Beach is lifting a ban on dispensaries, the 32 dispensaries allowed under Measure MM will likely not be sufficient to meet patient demand. The illegal market estimate is based of illegal market rates in similar jurisdictions.
- xxiii Includes 9.75 percent Long Beach sales tax rate and 6 percent marijuana tax as authorized by Measure MM and Prop 64 estimate includes state taxes imposed by Proposition 64 (15 percent retail excise tax, \$9.25 tax per dry-weight ounce of cannabis flower, and \$2.75 per dry-weight ounce of cannabis leaves).
- xxiv Based on roughly 90-100 delivery services currently listing that they operate in the region.
- xxv City of Long Beach Municipal Code. Title 5, Chapter 5.89 (repealed by Measure MM).
- xxvi https://www.municode.com/library/ca/long_beach/codes/municipal_code?nodeId=TITSREBUTRPR_CH5.90MEMMABU.
- xxvii lboshi, Kyle. "Legal pot businesses struggle to compete with black market." KGW Portland. February 24, 2017. Accessed May 8, 2017. <http://www.kgw.com/news/investigations/legal-pot-businesses-struggle-to-compete-with-black-market/413653533>.
- xxviii City of Portland, Oregon Charter, Code, and Policies. Title 14, Chapter 14B.130. https://www.portlandoregon.gov/citycode/69071_1.
- xxix Oregon Department of Revenue. "Marijuana Tax." January 9, 2017, Accessed May 8, 2017. http://www.oregon.gov/DOR/press/Documents/marijuana_fact_sheet.pdf.
- xxx Certified Medical Marijuana Dispensaries. Nevada Division of Public and Behavioral Health. March 15, 2017. Accessed May 8, 2017. <http://dphh.nv.gov/uploadedFiles/dphh/vgov/content/Reg/MedMarijuana/OpenDispensaryList25.pdf>.
- xxxi Medical Marijuana is subject to the 8.25 percent sales tax in Las Vegas and the Nevada Medical Marijuana Tax (MMT). The MMT rate is 2% of the sales price every time it is sold regardless if sold for wholesale or retail. For retail sales, the sales tax is computed on top of the 2% excise tax. See <https://tax.nv.gov/FAQs/MMT/>.
- xxxii Estimated black market provided by Weedmaps survey, based on 74 responses.
- xxxiii Per the Arizona Department of Health Services, City of Phoenix, and data from Weedmaps there are roughly 13 delivery services and 20 licensed dispensaries.
- xxxiiii City of Phoenix, Arizona. Ordinance G-6151. May 9, 2016. Accessed May 8, 2017. <https://www.phoenix.gov/pdds/site/Documents/G-6151.pdf>
- xxxv "Taxing Medical Marijuana in Arizona," Arizona Hemp Center. Accessed May 8, 2017. <http://mmjaz.com/Patients/arizona-medical-marijuana-tax.html>.

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Dispelling Myths

The Facts About Marijuana Regulation

Opponents of medical and adult-use cannabis laws often make bold claims about the negative impact marijuana will have on individuals and communities. Examples of these claims include arguments that marijuana is a “gateway drug,” that legalization will double traffic fatalities, or that cannabis use results in increased levels of drug abuse and addiction.

Establishing effective marijuana laws and regulations is a complicated process, made more difficult when elected leaders and voters lack accurate information. The following paper addresses potential sources of misinformation using the growing body of research that has emerged since the passage of state-level cannabis laws. Through a review of government publications, academic articles, third party studies, and other resources, this paper examines the five most common arguments against marijuana legalization to separate **MYTH** from **FACT**.

- **MYTH:** Marijuana is a “gateway drug.”
- **FACT:** Marijuana use is not a causal factor in use of harder drugs.

- **MYTH:** Marijuana is addictive and more dangerous than cigarettes or alcohol.
- **FACT:** Marijuana is safer and less addictive than both cigarettes and alcohol.

- **MYTH:** Legalized marijuana will lead to higher youth usage.
- **FACT:** Youth usage does not increase when marijuana is legalized.

- **MYTH:** Legalizing marijuana will empower black market activity.
- **FACT:** Effective marijuana regulation can help eliminate black markets.

- **MYTH:** Legalizing marijuana will double traffic fatalities.
- **FACT:** Preliminary data on traffic fatalities is mixed at best.

While misinformation about cannabis remains widespread, an increasing number of individuals and organizations have scrutinized existing evidence and concluded that the actual impact of medical and adult-use cannabis laws deviates considerably from opponents’ bleak forecasts. As an example, the Cato Institute noted in a recent report “that state marijuana legalizations have had minimal effect on marijuana use and related outcomes....On the basis of available data...we find little support for the stronger claims made by either opponents or advocates of legalizations. The absence of significant adverse consequences is especially striking given the sometimes dire predictions made by legalization opponents.”¹

We believe that policymakers and voters will reach similar conclusions when provided with accurate information.

“Our conclusion is that state marijuana legalizations 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.” – Cato Institute, 2016

¹ Angela Dills, Sietse Goffard, and Jeffrey Miron (Cato Institute). *Dose of Reality: The Effects of State Marijuana Legalizations*, 2016, p. 1.

Myth: Marijuana is a “Gateway Drug.”

Fact: Marijuana use is not a causal factor in use of harder drugs.

While studies have found that those who use marijuana are more likely to use other drugs, these studies demonstrate correlation not causation. In a seminal 1999 report, the Institute of Medicine found that marijuana “does not appear to be a gateway drug to the extent that it is the *cause* or even that it is the most significant predictor of serious drug abuse.”²

“While the gateway theory has enjoyed popular acceptance, scientists have always had their doubts. Our study shows that these doubts are justified.” – Andrew Morral (RAND, 2002)

More recent studies further undermine the so-called “gateway theory.”

- In a 2006 study published in the *American Journal of Psychiatry*, researchers found that drug abuse is not determined by preceding use of marijuana, but rather a user’s individual tendencies and environmental circumstances.³
- In a 2002 study, RAND’s Drug Policy Research Center concluded that “it is not marijuana use but individuals’ opportunities and unique propensities to use drugs that determine their risk of initiating hard drugs.”⁴ Upon the release of this study, Andrew Morral, Associate Director of RAND’s Public Safety and Justice division asserted, “We have shown that the marijuana gateway effect is not the best explanation for the link between marijuana use and the use of harder drugs. While the gateway theory has enjoyed popular acceptance, scientists have always had their doubts. Our study shows that these doubts are justified.”⁵

With the passage of medical and adult-use cannabis laws in several states, researchers have begun studying the impact of expanded cannabis access on hard drug use. In a May 2014 National Bureau of Economic Research paper, public health researchers at Emory University found that the implementation of medical marijuana laws had no impact on hard drug use, leading to the conclusion that “the often-voiced concerns about the potential gateway effect of marijuana is not supported by our findings.”⁶

While evidence supporting the gateway theory is limited, there is a growing body of research indicating that medical cannabis has actually served as a substitute for alternative substances like alcohol, prescription drugs, and illicit drugs.⁷ In fact, researchers have even found that medical cannabis laws are associated with significant reductions in prescription medications, opioid pain reliever (OPR) overdose deaths, OPR hospitalizations.⁸

In short, there is no evidence suggesting that marijuana use in and of itself is a gateway to harder drugs or drug abuse. On the contrary, regulated cannabis has the potential to reduce abuse of harmful drugs.

² Institute of Medicine. *Marijuana and Medicine: Assessing the Science Base*, 1999, p. 101. <http://www.nap.edu/read/6376/chapter/2#6>

³ Ralph E. Tarter et al. “Predictors of Marijuana Use in Adolescents before and after Licit Drug Use: Examination of the Gateway Hypothesis,” in *American Journal of Psychiatry*, December 2006, Vol. 163, No. 12, p. 2139.

⁴ RAND Drug Policy Research Center. “Using Marijuana May Not Raise the Risk of Using Harder Drugs,” in *Research Briefs*, 2002, p. 2.

⁵ Andrew R. Morral et al. “Reassessing the Marijuana Gateway Effect,” in *Psychology Society Bulletin*, Fall 2003, Vol. 1, No. 1, 2003, p. 63.

⁶ Hefei Wen et al. “The Effect of Medical Marijuana Laws on Marijuana, Alcohol, and Hard Drug Use,” in *NBER Working Paper Series*, May 2014, p. 25.

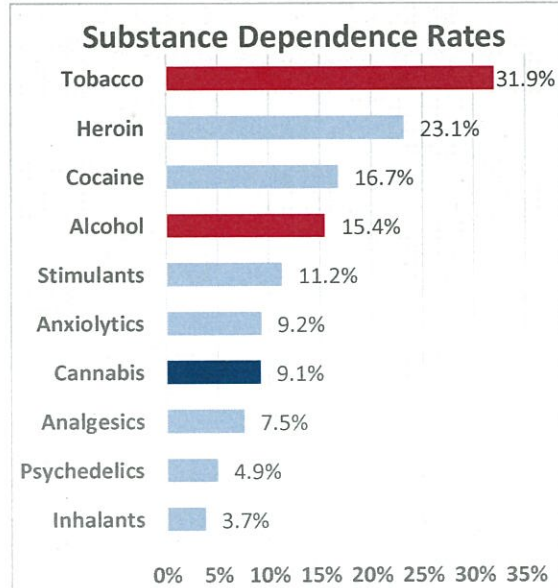
⁷ Amanda Reiman. “Cannabis as a Substitute for Alcohol and Other Drugs,” in *Harm Reduction Journal*, December 2009, p. 1.

⁸ Ashley C. Bradford. “Medical Marijuana Laws Reduce Prescription Medication Use in Medicare Part D,” in *Health Affairs*, July 2016, Vol. 35, No. 7, p. 1230; Marcus A. Bachhuber et al. “Medical Cannabis Laws and Opioid Analgesic Overdose Mortality in the United States, 1999-2010,” in *Journal of the American Medical Association*, October 2014; and Yuyan Shi. “Medical Marijuana Policies and Hospitalizations Related to Marijuana and Opioid Pain Reliever,” in *Drug and Alcohol Dependence*, February 2017, p. 148.

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Myth: Marijuana is addictive and more dangerous than cigarettes or alcohol.
Fact: Marijuana is safer and less addictive than both cigarettes and alcohol.

While marijuana dependence is a serious issue, the addiction rate for marijuana is much lower than that of other illegal and legal substances. In a comprehensive analysis of data from the National Comorbidity Survey, researchers from Johns Hopkins University and the University of Michigan found that marijuana has one of the lowest dependency rates among ten of the most widely used substances in the US. Whereas 9.1 percent of marijuana users develop dependency on marijuana, addiction rates stand at 31.9 percent for tobacco users, 23.1 percent for heroin users, 16.7 percent for cocaine users, and 15.4 percent for alcohol users.⁹



Data from the National Comorbidity Study (Anthony et al., 1994).

The Institute of Medicine also concluded that few marijuana users develop dependence, particularly when compared to other drugs. The Institute acknowledges that, though rare, marijuana users can develop dependence, but marijuana users “appear to be less likely to do so than users of other drugs (including alcohol and nicotine), and marijuana dependence appears to be less severe than dependence on other drugs.”¹⁰

The health costs and risks associated with marijuana are also substantially lower than those associated with alcohol and nicotine. In a review of the direct health care costs associated with the use of certain substances, researchers in Canada found that the direct annual health care costs per user stood at \$20.50 for cannabis, \$165.11 for alcohol, and \$822.26 for tobacco.¹¹ In a separate study, researchers conducted a comparative risk assessment of ten substances and, based on these assessments, categorized both alcohol and tobacco as “high risk” and cannabis as “low risk.” The researchers concluded that “the risk of cannabis may have been overestimated in the past” and the low risk levels associated with cannabis “suggest a strict legal approach rather than the current prohibition approach.”¹²

While some have raised concerns that smoking marijuana may have an adverse impact on the lungs, a 20-year study on marijuana use published in *The Journal of the American Medical Association* found “no evidence that increasing exposure to marijuana adversely affects pulmonary function.”¹³ A 2006 study on the potential connection between marijuana smoking and lung and upper aerodigestive tract cancers

⁹ James C. Anthony, Lynn A. Warner, and Ronald C. Kessler. [“Comparative Epidemiology of Dependence on Tobacco, Alcohol, Controlled Substances, and Inhalants: Basic Findings from the National Comorbidity Survey.”](#) in *Experimental and Clinical Psychopharmacology*, 1994, Vol. 2, No. 3, p. 251.
¹⁰ Janet E. Joy et. al. (Institute of Medicine). [Marijuana and Medicine: Assessing the Science Base](#), 1999, p. 98.
¹¹ Gerald Thomas and Chris Davis. [“Cannabis, Tobacco, and Alcohol Use in Canada: Comparing Risks of Harm and Costs to Society.”](#) in *Visions: BC’s Mental Health and Addictions Journal*, Vol. 5, No. 4, 2009, p. 13.
¹² Drik W. Lachenmeier and Jurgen Rehm. [“Comparative Risk Assessment of Alcohol, Tobacco, Cannabis, and Other Illicit Drugs Using the Margin of Exposure Approach.”](#) in *Scientific Reports*, January 2015, p. 4 and 6.
¹³ Mark P. Pletcher et al. [“Association Between Marijuana Exposure and Pulmonary Function over 20 Years.”](#) in *The Journal of the American Medical Association*, January 2012, Vol. 307, No. 2., p. 177.

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found no such connection and concluded that “the association of these cancers with marijuana, even long-term or heavy use, is not strong and may be below practically detectable limits.”¹⁴

In 1995, the World Health Organization (WHO) published a comprehensive report on the health risks associated with marijuana and concluded that “these risks are small to moderate in size.” The report added that “In aggregate they are unlikely to produce public health problems comparable in scale to those currently produced by alcohol and tobacco....on even the most worst-case scenario, it is unlikely that the public health effect of cannabis use would approach those of alcohol or tobacco use.”¹⁵ WHO also made the following findings:

- “Tobacco smoking is associated with a wide variety of other chronic health conditions for which cannabis smoking has not so far been implicated. These include cancer of the cervix, stomach, bladder and kidney, coronary heart disease, peripheral vascular disease, and stroke, as well as cataracts and osteoporosis.”
- “There is good evidence that chronic, heavy alcohol use increases the risk of premature mortality from accidents, suicide and violence. There is no comparable evidence for chronic cannabis use.”
- “In large doses alcohol can cause death by asphyxiation, alcohol poisoning, cardiomyopathy and cardiac infarct. There are no recorded cases of overdose fatalities attributed to cannabis, and the estimated lethal dose for humans extrapolated from animal studies is so high that it cannot be achieved by recreational users.”
- “A major difference between [alcohol and cannabis] is that withdrawal symptoms are either absent or mild after dependent cannabis users abruptly stop their cannabis use, whereas the abrupt cessation of alcohol use in severely dependent drinkers produces a well-defined withdrawal syndrome which can be potentially fatal.”¹⁶

These findings led Philip M. Boffey, the former science and health editor of *The New York Times*, to conclude that there is a “vast gap between antiquated federal law enforcement policies and the clear consensus of science that marijuana is far less harmful to human health than most other banned drugs and is less dangerous than the highly addictive

“[This] neatly illustrates the vast gap between antiquated federal law enforcement policies and the clear consensus of science that marijuana is far less harmful to human health than most other banned drugs and is less dangerous than the highly addictive but perfectly legal substances known as alcohol and tobacco.” –Philip M. Boffey (The New York Times, 2014)

but perfectly legal substances known as alcohol and tobacco. Marijuana cannot lead to a fatal overdose. There is little evidence that it causes cancer. Its addictive properties, while present, are low, and the myth that it leads users to more powerful drugs has long since been disproved.”¹⁷

¹⁴ Mia Hashibe et al. “[Marijuana Use and the Risk of Lung and Upper Aerodigestive Tract Cancers: Results of a Population-Based Case-Control Study.](#)” in *Cancer Epidemiology, Biomarkers, & Prevention*, October 2006, Vol. 15, No. 10, p. 1829.

¹⁵ World Health Organization, Project on Health Implications of Cannabis Use. *A Comparative Appraisal of the Health and Psychological Consequences of Alcohol, Cannabis, Nicotine and Opiate Use*, August 1995.

¹⁶ World Health Organization, Project on Health Implications of Cannabis Use. *A Comparative Appraisal of the Health and Psychological Consequences of Alcohol, Cannabis, Nicotine and Opiate Use*, August 1995.

¹⁷ Philip M. Boffey. “[What Science Says about Marijuana.](#)” in *The New York Times*, July 30, 2014.

Myth: Legalized marijuana will lead to higher youth usage.
Fact: Youth usage does not increase when marijuana is legalized.

National and state-level data make clear that marijuana legalization does not increase youth usage of marijuana. Over the past two decades, the United States has seen a proliferation of state laws legalizing medical and adult-use marijuana, yet youth marijuana usage rates have declined throughout this period. According to data from the CDC:

- Between 1995 and 2015, the percent of high school students who had used marijuana at some point in their lifetime fell from 42.4 percent to 38.6 percent.
- Between 1995 and 2015, the percent of high school students who had used marijuana at least once in the past month fell from 25.3 percent to 21.7 percent.¹⁸

In a 2014 study published in the peer-reviewed journal, *Lancet Psychiatry*, the authors analyzed youth marijuana usage rates over a 24-year period and found “no evidence for an increase of adolescent marijuana use after passage of state laws permitting use of marijuana for medical purposes.” The authors concluded, “concerns that increased adolescent marijuana use is an unintended effect of state medical marijuana laws seem unfounded.”¹⁹

While there are fewer years of data available on the impact of adult-use legalization laws on youth usage rates, initial data shows that these laws have not resulted in increased youth marijuana usage. In fact, states that have already implemented recreational marijuana laws have seen youth usage rates decline across the board.

- *Colorado:* Between 2009 and 2015, the percent of adolescents who have tried marijuana at least once in their lifetime fell from 43 percent to 38 percent. Over this same period, the percent of adolescents who reported using marijuana in the past month fell from 25 percent to 21 percent.²⁰
- *Alaska:* Between 2007 and 2015, the percent of adolescents who have tried marijuana at least once in their lifetime fell from 44.7 percent to 38.8 percent. Over this same period, the percent of adolescents who reported using marijuana in the past month fell from 20.5 percent to 19.0 percent.²¹
- *Oregon:* Between 2011 and 2015, the percent of 8th graders who reported using marijuana in the past month fell from 11.1 percent to 8.8 percent. Over this same period, the percent of 11th graders who reported using marijuana in the past month fell from 20.6 percent to 19.1 percent. Note that Oregon’s survey of adult marijuana use only covers 8th and 11th graders.²²
- *Washington:* Between 2012 and 2016, the percent of 6th, 8th, 10th, and 12th graders who reported using marijuana at least once in their life or within the past 30 days either remained constant or declined. At most grade levels, usage rates declined.²³

¹⁸ US Centers for Disease Control. [Trends in the Prevalence of Marijuana, Cocaine, and Other Illegal Drug Use National YRBS: 1991-2015](#).

¹⁹ Hasin et. al. “Medical Marijuana Laws and Adolescent Marijuana Use in the USA from 1991 to 2014: Results from Annual, Repeated Cross-Sectional Surveys,” in *Lancet Psychiatry*, 2015, 2, p. 607.

²⁰ Colorado. Health Kids Colorado Survey, Marijuana Use Among Youth in Colorado, 2015.

²¹ Alaska Department of Health and Social Services. 2015 Youth Risk Behavior Survey Results, p. 10.

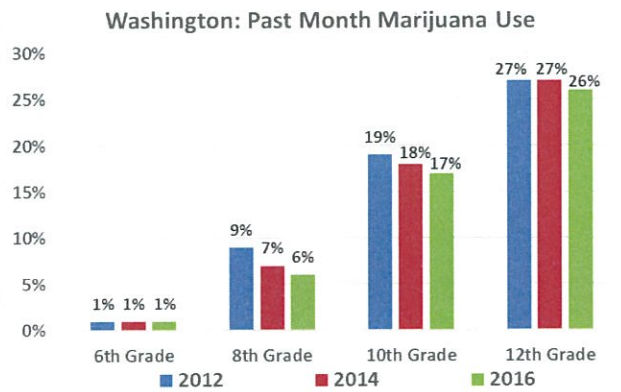
²² Oregon Health Authority. 2011 Oregon Healthy Teens Survey (8th and 11th Grade Survey Data), p. 48/53; Oregon Health Authority. 2013 Oregon Healthy Teens Survey, p. 58; and Oregon Health Authority. 2015 Oregon Healthy Teens Survey, p. 56-59.

²³ Washington State. Healthy Youth Survey, Youth Marijuana Use in Washington State, 2012; Washington State. Healthy Youth Survey, Youth Marijuana Use in Washington State, 2014; and Washington State. Healthy Youth Survey, Youth Marijuana Use in Washington State, 2016.

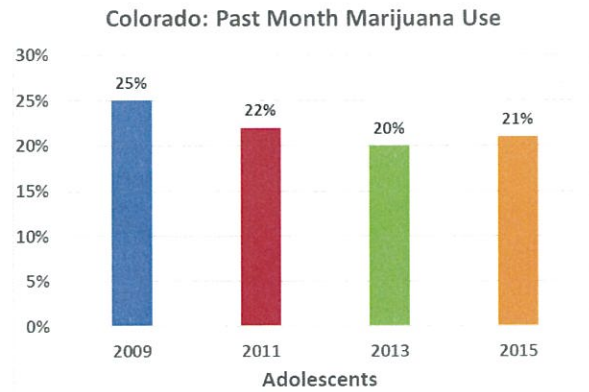
Despite initial concerns that youth access to marijuana will increase following the passage of legalization laws, the CDC found that the perceived availability of marijuana among adolescents has declined considerably in recent years. Between 2002 and 2014, the percent of adolescents reporting that marijuana is either "very easy" or "fairly easy" to obtain fell from 55.0 percent to 47.8 percent.²⁴

As more states pass medical and adult-use marijuana laws, the United States has also seen a decline in marijuana use disorders among adolescents. In a June 2016 article published in the *Journal of the American Academy of Child & Adolescent Psychiatry*, researchers at the Washington University School of Medicine analyzed data from the National Survey on Drug Use and Health. Overall, the study found that marijuana use disorders among adolescents declined 24 percent between 2002 and 2013.²⁵ The study also found noteworthy decline in the number of teenagers with marijuana-related issues; enjoying a drop in disciplinary issues with both parents and schools, and a seemingly diminished interest in getting high.

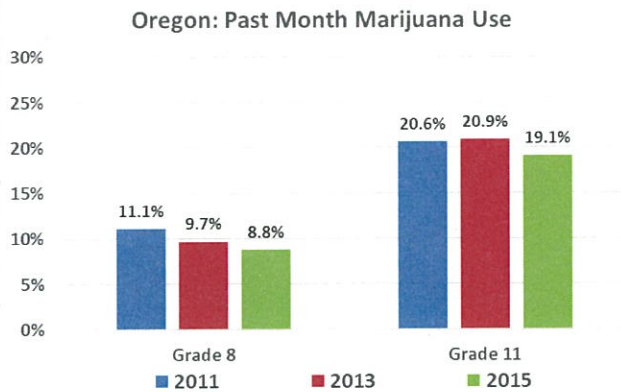
State-Level Youth Marijuana Usage Rate Data



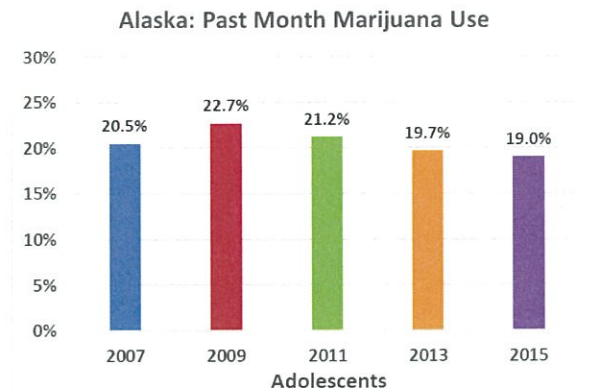
Source: Washington Healthy Youth Survey (2012, 2014, and 2016).



Source: Colorado Healthy Kids Colorado Survey (2015).



Source: Oregon Healthy Teens Survey (2011, 2013, and 2015).



Source: Alaska Youth Risk Behavior Survey (2015).

²⁴ Centers for Disease Control and Prevention. *National Estimates of Marijuana Use and Related Indicators — National Survey on Drug Use and Health, United States, 2002–2014*, September 2016, p. 1-25.

²⁵ Richard Gruzca et al. "Declining Prevalence of Marijuana Use Disorders Among Adolescents in the United States, 2002 to 2013," in *Journal of the American Academy of Child & Adolescent Psychiatry*, 55.6, June 2016.

Myth: Legalizing marijuana will empower black market activity.
Fact: Effective marijuana regulation can help eliminate black markets.

Marijuana legalization and regulation can be tools to neutralize illegal marijuana sales. As the Institute on Taxation and Economic Policy highlighted in its official testimony before the Vermont Senate Committee on Finance, “one primary motivation behind legalizing retail marijuana is to eliminate the illegal black market for marijuana and its social ills.”²⁶

Both legal and illegal markets for marijuana are driven by consumer demand and, like the markets for any other good, are influenced by ease of access, price, and product quality. These principles are supported by the Colorado Department of Revenue, which commissioned a report regarding the market size and demand for marijuana within the State. The report noted “If the price of regulated marijuana remains high, as it has in early 2014, black-market production could continue if it could compete with the regulated market on price, but the regulated market is likely to reduce market share held by the black market.” The Department also pointed out that if prices between the legal and illegal market are similar, “consumers would likely shift to the regulated market because the selection, quality, and product safety is generally much higher at a licensed retail provider.”²⁷

While there is certainly room for improvement, states that regulate medical and adult-use cannabis have made considerable progress towards reducing the size of the black market. According to a recent article in *The Economist*, Colorado's legal market has captured 70 percent of total cannabis sales.²⁸ In an economic impact analysis commissioned by the State of Colorado, the Marijuana Policy Group predicts that the black market's share of total cannabis sales will eventually fall to a mere 10 percent.²⁹

As governments consider passing medical and adult-use cannabis laws, policy experts forecast major declines in the size of the illegal market should politicians adopt the appropriate tax and regulatory levels. In an April 2017 policy brief, C.D. Howe Institute predicted that the passage of adult-use cannabis laws in Canada could result in the regulated market capturing as much as 90 percent of the country's black market.³⁰

Prohibition is not an effective means of eliminating illegal markets for marijuana. Unlike other illegal drugs, consumer feelings about marijuana have changed and progressed significantly over time. Over the years, public polling by Pew Research Center has found that 57 percent of American adults are in favor of marijuana legalization, 49 percent of Americans have tried marijuana, 69 percent of Americans believe alcohol is more harmful to a person's health than marijuana, and 63 percent believe alcohol would still be more harmful to society if marijuana were legalized.³¹

In light of existing consumer attitudes toward marijuana, prohibition in and of itself will not eliminate demand. In the absence of an effective regulatory framework, patients and consumers have few options other than the black market.

²⁶ Carl Davis and Richard Phillips (Institute on Taxation and Economic Policy). [Tax Policy Issues Associated with Legalized Retail Marijuana: Testimony before the Vermont Senate Committee on Finance](#), January 19, 2016.

²⁷ Colorado Department of Revenue (Provided by the Marijuana Policy Group). [Market Size and Demand for Marijuana in Colorado](#), 2014, p. 27.

²⁸ Staff. ["Legalising Cannabis: Reeferegulatory Challenges."](#) in *The Economist*, February 13, 2016.

²⁹ Marijuana Policy Group. [The Economic Impact of Marijuana Legalization in Colorado](#), October 2016, p. 6.

³⁰ Rosalie Wyonch. ["With Legal Weed the Government Must Choose Revenue or Regulated Market, Not Both."](#) in *Intelligence Memos*, April 10, 2017, p. 1.

³¹ Abigail Geiger (Pew Research Center). ["Support for Marijuana Legalization Continues to Rise."](#) in *FactTank*, October 12, 2016; and Seth Motel (Pew Research Center). ["6 Facts about Marijuana."](#) in *FactTank*, April 14, 2015.

Myth: Legalizing marijuana will double traffic fatalities.

Fact: Preliminary data on traffic fatalities is mixed at best.

In states that have legalized recreational or medical marijuana, traffic collisions involving drivers testing positive for marijuana have increased. Opponents of legalization often site these statistics as one of the dangers of normalizing marijuana. Driving while impaired by any drug is dangerous and should be prohibited, but it is irresponsible to make incorrect inferences from the limited data.

In exploring potential connections between marijuana use and traffic fatalities, the National Highway Traffic Safety Administration (NHTSA) cautions that "drug presence does not necessarily imply impairment."³² Since marijuana can be detected for a period of days or weeks after ingestion, drug presence remains long after impairment ends. Accordingly, any data associating the passage of medical and adult-use cannabis legislation with traffic fatalities warrants a degree of scrutiny.

That said, existing studies on marijuana legalization and highway safety are largely inconclusive.

In a recent examination of fatal car accidents, the Cato Institute found no major increase in fatal crashes following the passage of medical and adult-use cannabis laws in Colorado, Washington, Oregon, and Alaska.³³

The National Highway Traffic Safety Administration (NHTSA) conducted the largest and most comprehensive study on drug crash risk in the United States. Notably, the study found that after accounting for variables like age, gender, race/ethnicity, and alcohol consumption, "there was no significant contribution of drugs to crash risk."³⁴

Additionally, traffic data from Colorado and Washington is being misinterpreted. The Washington Traffic Safety Commission (WTSC) released data in 2015 indicating the number of drivers involved in fatal crashes with active THC in their blood increased from 38 in 2013 to 75 in 2014. However, the reasons for the increases are not entirely clear. As the Seattle Times reported, "One obvious reason is that state-regulated pot stores opened in 2014, providing access to legal weed. But the first few stores didn't open until July, and their supply was scarce."³⁵ The article went on to say, "What's more, there were more marijuana-involved fatal crashes in the first half of 2014, before stores opened, than in the second half of the year."³⁶ Half of these drivers were also under the influence of alcohol, and the majority of those were intoxicated. Shelly Baldwin, the spokesperson for the WTSC, acknowledged that the presence of marijuana in a driver's system is an important factor to monitor but that it does not necessarily lead to collisions.³⁷

In Colorado, the number of traffic fatalities has slightly increased since marijuana was legalized. In 2012, the year Colorado voters legalized recreational marijuana, there were 474 traffic fatalities.³⁸ This figure

³² US Department of Transportation, National Highway Traffic Safety Administration. *Results of the 2013-2014 National Roadside Survey of Alcohol and Drug Use by Drivers*, February 2015, p. 2.

³³ Angela Dills, Sietse Goffard, and Jeffrey Miron (Cato Institute). *Dose of Reality: The Effects of State Marijuana Legalizations*, September 2016, p. 18.

³⁴ US Department of Transportation, National Highway Traffic Safety Administration. *Drug and Alcohol Crash Risk: A Case-Control Study*, December 2016, p. 5.

³⁵ Bob Young. "[More Pot Use Found in Fatal Crashes, Data Says](#)," in *The Seattle Times*, August 19, 2015.

³⁶ Bob Young. "[More Pot Use Found in Fatal Crashes, Data Says](#)," in *The Seattle Times*, August 19, 2015.

³⁷ Bob Young. "[More Pot Use Found in Fatal Crashes, Data Says](#)," in *The Seattle Times*, August 19, 2015.

³⁸ Colorado Department of Transportation. [Drugged Drivers Involved in Car Crashes](#), 2014.

increased to 481 in 2013 and 488 in 2014. Traffic fatalities were significantly higher in Colorado in the years prior to the state establishing any marijuana regulations. Colorado established laws to regulate medical marijuana in 2009 and voters approved recreational sales in 2012. Between 2009 and 2014 the average number of traffic fatalities in Colorado was 467.5 compared to an average of 592 traffic fatalities between 2003 and 2008.³⁹ This does not necessarily suggest that legalizing marijuana is related to safer roads, but rather that traffic data varies significantly over time, and it is difficult to have definitive answers without more exhaustive studies. 52 percent of drivers in Colorado who tested positive for marijuana also tested positive for alcohol and an additional 15 percent tested positive for other drugs.⁴⁰ Regarding the available data on marijuana-impaired data Glenn Davis, the Colorado Department of Transportation's Highway Safety Manager, said "We really do not have accurate data. I recognize that marijuana impairment is going to be a challenge for us. Davis added "I would say the increased availability of marijuana to the driving public has some impact on crashes, but we don't know."⁴¹

³⁹ Colorado Department of Transportation. [Drugged Drivers Involved in Car Crashes](#), 2014.

⁴⁰ Rocky Mountain High Intensity Drug Trafficking Area. [The Legalization of Marijuana in Colorado: The Impact](#), September 2015.

⁴¹ Peter Hecht. ["What Stoned Driving Looks Like and How California Might Regulate It,"](#) in *The Sacramento Bee*, September 16, 2016.



Dispelling the “Gateway” Theory

What Science Says About Marijuana and Drug Addiction

Background

Opponents of legalized medical or recreational marijuana will often refer to marijuana as a “gateway drug” that leads to use and abuse of harder substances. Anti-marijuana advocates have often argued that considering the nation’s opioid epidemic, it would be irresponsible to further normalize marijuana because it would lead to more opioid use. Neither of these claims is supported by any actual scientific evidence. To the contrary, years of scientific evidence suggests that marijuana is not a gateway drug and recent studies demonstrate that marijuana can be an effective tool for addressing opioid addiction. This paper attempts to highlight just a small portion of the science and findings dispelling the gateway drug myth.

The Truth About the “Gateway” Theory

The myth of marijuana as a gateway drug has existed for some time and is largely an outgrowth of anti-marijuana propaganda during the war on drugs. The Institute of Medicine found that marijuana use does not appear to cause or be the most significant predictor of serious drug abuse.¹ The American Journal of Psychiatry also found drug abuse is not determined by preceding use of marijuana, but rather a user’s individual tendencies and environmental circumstances.² Similarly, RAND’s Drug Policy Research Center suggests “that it is not marijuana use but individuals’ opportunities and unique propensities to use drugs that determine their risk of initiating hard drugs.”³

On the social side, there is evidence that demonstrates the illegal status of marijuana increases the likelihood of users trying harder drugs. Purchasing marijuana through illegal channels necessitates interaction with dealers who may have access to harder drugs. As Holland began to liberalize marijuana laws in the 1970s, they paid close attention to the supposed “gateway effect.” The Dutch felt the link was sociological and to keep soft drug users away from hard drug dealers, they developed a regulatory system to separate the legal and illegal markets. Data compiled from the Dutch experience shows evidence that suggests this approach weakened social interaction with dealers of harder drugs and clearly demonstrated that no gateway effect was opened by efforts to legalize marijuana.⁴

One issue with many of the older studies on marijuana as a gateway drug is that they were observational studies that failed to account for other behaviors the subject engaged in (alcohol, cigarettes, etc.) or the risk-taking personality that a marijuana user would need to have given the stiff penalties and social stigma

¹ Joy, Janet E., Stanley J. Watson, Jr., and John A. Benson, eds. *Marijuana as Medicine, Assessing the Science Base*. Report. Institute of Medicine. Washington, D.C.: National Academy Press, 1999. <https://doi.org/10.17226/6376>.

² Tarter, Ralph, Michael Vanyukov, Levent Kirisci, Maureen Reynolds, and Duncan B. Clark. “Predictors of Marijuana Use in Adolescents Before and After Licit Drug Use: Examination of the Gateway Hypothesis.” *American Journal of Psychiatry* 163, no. 12 (2006): 2134. doi:10.1176/appi.ajp.163.12.2134.

³ Morral, Andrew R., Daniel F. McCaffrey and Susan Paddock. *Using Marijuana May Not Raise the Risk of Using Harder Drugs*. Santa Monica, CA: RAND Corporation, 2002. http://www.rand.org/pubs/research_briefs/RB6010.html.

⁴ MacCoun, Robert J.. *What Can We Learn from the Dutch Cannabis Coffeeshop Experience?*. Santa Monica, CA: RAND Corporation, 2010. http://www.rand.org/pubs/working_papers/WR768.html.

of marijuana use in past decades. Put simply, the researchers could not effectively separate correlation from causation between marijuana and other substances.

As a final note, there is a certain irony in the focus on marijuana as a gateway drug given ample evidence that alcohol has a far higher correlation with the use of harder drugs than marijuana. Additionally, unlike marijuana, there was a strong correlation between the age and frequency of alcohol use and the predisposition to use hard drugs.⁵

Marijuana and Opioids

Perhaps more damaging than the gateway drug myth has been claims by marijuana opponents that marijuana legalization will increase opioid abuse. To the contrary, not only is marijuana legalization correlated with a reduction in opioid use and prescriptions, there is a growing body of scientific evidence that indicates marijuana can help people already addicted to heroin and other opioids. States that allow for the use of medical marijuana to manage chronic pain and other conditions have an opioid overdose mortality rate that is 25 percent lower than states where medical marijuana remains illegal.⁶ This association suggests the availability of medical marijuana to help treat pain can reduce the growing number of deaths attributed to prescription pain medications.⁷ States with legalized marijuana also have lower numbers of prescriptions issued for opioids as well as a lower rate of opioid positivity among fatally injured drivers.⁸

Going even further, growing evidence also shows that marijuana could provide a new avenue of treatment for those already addicted to opioids. Given that opioids pose a serious public health challenge, with over 80 people dying each day from opioid overdose, further research on this should be a critical priority for states.

CBD

Several studies have very positive findings regarding cannabidiol (CBD), a non-psychotomimetic constituent of marijuana, and its use as a therapeutic agent for opioid use disorders. Research suggest that CBD interferes with brain reward mechanisms and can block the reward-facilitating effect of opioids.⁹ Patients using medical marijuana to control chronic pain reported a 64 percent reduction in their use of traditional prescription pain medications.¹⁰ This reduction of opioid use was also correlated with decreased medication side effects, indicating a potential health benefit to replacing opioids with marijuana.¹¹

⁵ Barry, King, Sears, Harville, Bondoc, Joseph, Prioritizing Alcohol Prevention: Establishing Alcohol as the Gateway Drug and Linking Age of First Drink With Illicit Drug Use. *J Sch Health*. Jan. 2016; 86(1):31-8.

⁶ Bachhuber MA, Saloner B, Cunningham CO, Barry CL. Medical Cannabis Laws and Opioid Analgesic Overdose Mortality in the United States, 1999-2010. *JAMA Intern Med*. 2014;174(10):1668-1673. doi:10.1001/jamainternmed.2014.4005

⁷ Ibid.

⁸ Kim, June H., Julian Santaella-Tenorio, Christine Mauro, Julia Wrobel, Magdalena Cerdà, Katherine M. Keyes, Deborah Hasin, Silvia S. Martins, and Guohua Li. "State Medical Marijuana Laws and the Prevalence of Opioids Detected Among Fatally Injured Drivers." *American Journal of Public Health* 106, no. 11 (2016): 2032-037. doi:10.2105/ajph.2016.303426.

⁹ Katsidoni, Vicky, Ilektra Anagnostou, and George Panagis. "Cannabidiol inhibits the reward-facilitating effect of morphine: involvement of 5-HT 1A receptors in the dorsal raphe nucleus." *Addiction Biology* 18, no. 2 (2012): 286-96. doi:10.1111/j.1369-1600.2012.00483.x.

¹⁰ Boehnke, Kevin F., Evangelos Litinas, and Daniel J. Clauw. "Medical Cannabis Use Is Associated With Decreased Opiate Medication Use in a Retrospective Cross-Sectional Survey of Patients With Chronic Pain." *The Journal of Pain* 17, no. 6 (2016): 739-44. doi:10.1016/j.jpain.2016.03.002.

¹¹ Ibid.

Animal studies have consistently demonstrated that in addition to reducing rewarding effects of opioids and withdrawal symptoms, CBD also directly reduces heroin-seeking behavior.¹² These findings are consistent with a pilot study with humans which demonstrates CBD reduces heroin cravings in heroin abusers with the therapeutic effects sometimes lasting a week since last administration.¹³

THC

Due to the federal illegality of marijuana, it has been difficult to conduct full scientific studies of the use of full spectrum marijuana to treat opioid addiction. However, there is a growing amount of observational evidence that marijuana and particularly marijuana concentrates may be effective in weaning addicts off a range of opioids as well as heroin and other substances and subsequently preventing relapse.¹⁴

Additionally, one study found that opioid addicts who consumed marijuana purchased significantly lower amounts of opioids than those who did not consume marijuana.¹⁵

¹² Hurd, Yasmin L. "Cannabidiol: Swinging the Marijuana Pendulum From 'Weed' to Medication to Treat the Opioid Epidemic." *Trends in Neurosciences* 40, no. 3 (February 2017): 124-27. doi:10.1016/j.tins.2016.12.006.

¹³ Ibid.

¹⁴ See, e.g., Tracey Mitchell, "Is Weed the Secret to Beating Opiate Addiction?", <http://www.thedailybeast.com/articles/2014/09/05/is-weed-the-secret-to-beating-opiate-addiction.html>

¹⁵ Scavone JL, Sterling RC, Weinstein SP, Van Bockstaele EJ. "Impact of cannabis use during stabilization on methadone maintenance treatment." *Am J Addict.* 2013 Jul-Aug;22(4):344-51.



TESTIMONY OF BRANDON MCKOY, POLICY ANALYST, NEW JERSEY POLICY PERSPECTIVE, ON S-3195, BEFORE THE SENATE JUDICIARY COMMITTEE, JUNE 19, 2017

Contact: mckoy@njpp.org or 609-393-1145 ext. 14

Good afternoon and thank you for the opportunity to speak here today. My name is Brandon McKoy and I am a policy analyst at New Jersey Policy Perspective, a nonpartisan think tank that aims to create a robust state economy and promote shared prosperity.

In May of 2016, we produced a report in conjunction with the ACLU of New Jersey and New Jersey United for Marijuana Reform, detailing the social and economic benefits of marijuana legalization throughout our state. We found that legalization, taxation, and regulation of marijuana for use by adults aged 21 and older would ultimately add an estimated \$300 million in sales tax to state coffers. On top of that direct revenue, the state would see other economic benefits such as job creation, growth in business, research and development, and corresponding boosts in property, business, and income taxes.

So how did we get that revenue estimate? First, that \$300 million figure is a fully implemented system, at a tax rate of 25 percent. We firmly believe the tax rate must be phased in over time, in order for the legal market to have the best opportunity to snuff out the illegal market. We've called for a three-year phase in, going from 5, to 15, to 25 percent. Our projections were derived from a model that is based on the experiences of other states, current information on marijuana users in New Jersey and the surrounding area, current pricing, and the tax structure of other states as they relate to New Jersey's interests. In the end, we do believe that our estimate is conservative.

It must be stated clearly that while expanding economic opportunities and addressing our persistent budget deficit are extremely persuasive reasons to legalize and regulate marijuana, they aren't the only ones.

Legalization of marijuana would increase public safety, advance racial justice, bolster public health, and reduce the strain on the police, corrections, and the criminal justice system. African-Americans are three times more likely to be arrested for marijuana possession than whites, despite equal usage rates, and evidence suggests similar disparities exist for Latinos. Draconian marijuana laws have been used to promote and support biased law enforcement policies such as stop and frisk, racial profiling and the deportation of residents of color. New Jersey arrests more people for marijuana possession each year than for any other crime. These arrests, which number 22,000 a year, ring up a cost of more than \$125 million to taxpayers. It is a wasteful policy that criminalizes otherwise law-abiding residents and creates a misuse of resources that would be better directed elsewhere.

Considering the significant impact that legalizing marijuana can have on the state's economy and our criminal justice landscape, we urge the committee to craft and pass legislation that includes expungement opportunities for residents previously convicted of marijuana offenses, appropriations to aid communities that have been historically harmed by the war on drugs, and pathways to ensure that previous participation in marijuana activity does not prevent residents from engaging in the production or sale of legal recreational marijuana.

The legalization of marijuana will mark an important step for New Jersey, but we must ensure that we do not squander the many opportunities available to us. We can make significant strides in criminal justice policy, make more efficient use of law enforcement resources, and provide an important boost to state and local economies. None of these things are mutually exclusive, and they should all be pursued authentically and honestly.

Thank you for your time.

TESTIMONY OF RICARDO RIVERA
BEFORE THE NEW JERSEY SENATE JUDICIARY COMMITTEE
ON S3195 PENDING BEFORE THE COMMITTEE

Ricardo Rivera
Woodlynne, NJ
Email: tuffysfight@gmail.com

Honorable Senators,

My name is Ricardo Rivera I am the proud father of Tatyana Angelique Rivera -- everyone knows her as "Tuffy." She's a happy, strong and special 10 year old little girl. Tuffy suffers a severe form of epilepsy called Lennox Gastaut Syndrome(LGS).

Her nickname has real meaning. At just 10 months old she was averaging over 300 seizures in a 24 hour period on an EEG, that's a test that detects the electric activity in the brain. Tuffy's condition is characterized as one of the most debilitating epilepsy conditions in the world, accounting for only 2 to 5 percent of childhood epilepsy conditions.

LGS is so rare that research is limited and underfunded. With so many seizures my daughter was at high risk of Sudden Unexpected Death in Epilepsy. Doctors would tell us that Tuffy would have a life span of 9 years. Every day has been a gift.

Drop seizures would strike Tuffy 5-10 times a day when she was younger. This form of seizure often contributes to head trauma and broken bones. With so much risk for my daughter's life, this condition has not only affected our entire family. We began to isolate ourselves. At one point, she was having noise stimulated seizures. If your a cell phone suddenly rang she would have a full grandmal seizure.

It was extremely dangerous for her to go outside and play like children should be allowed to. We would learn this the hard way one time when her mother and I took her to her favorite park in Collingwood, NJ. Tuffy was on the swing and suddenly a noise scared her triggered a seizure. It caused her to let go of the swing mid air and fly off, crashing down onto the back of her neck. She stopped breathing for what felt like an eternity. I was forced to give my child rescue breaths while her mother was driving as fast as she could to the nearest hospital.

We were able to keep her alive but we knew at that point we needed to do something different. Her doctors were always helpful, but no medication was solving Tuffy's biggest problems.

As her parents we never gave up hope and we committed to trying anything and everything that could help.

Four years ago Tuffy became a patient in the NJ Medicinal Marijuana Program. It wasn't easy. We had to get three doctors and a child psychologist to approve. Then we had to learn how to make cannabis oil at home.

I had seen TV shows and read stories of cannabis helping treat seizures in kids. But nothing prepared me for that first day she received cannabis oil I made for her in our kitchen. She went seizure free for the first time in over three years that day.

Medical cannabis has done what pharmaceutical drugs never accomplished: Helping decrease her seizures by over 90%.

Cannabis saved Tuffy's life. She beat the odds when she turned 10 this year - and she keeps beating the odds every day with this natural therapy.

But our tightly regulated medical medical marijuana is extremely expensive in NJ. At one point I was spending \$535 an ounce for medicine that my daughter needed. With a limit of two ounces a month that was coming out to over \$1000 a month. We also pay a 7% tax that Governor Christie personally insisted on. I could get high quality cannabis for less than half that on the street.

The NJMMP is also very limited in strains compared to other medical cannabis programs around the country. We're grateful to have found cannabis but the NJ program is pushing us into debt and forcing me to work more and more overtime. Now my wife has to bear more of the burden in caring for Tuffy as I work away from home to pay for her medical cannabis.

New Jersey was the first state to pass a medical marijuana law that prohibited home cultivation by patients and caregivers.

Growing just a few plant here results in immediate arrest and prosecution. For just 17 plants we've seen people go to prison for more than 10 years.

So, our family has been forced to New Jersey's Company Store for marijuana. We'd rather be growing.

I've already been forced to become my daughter's pharmacist, carefully tracking data on the strains that work and ones that don't. Many times New Jersey's only 5 dispensaries don't have the strain of cannabis that Tuffy really needs.

My daughter is also extremely sensitive to chemicals and pesticides and I have become leery about the quality of laboratory testing and consumer safety controls in our medical marijuana program.

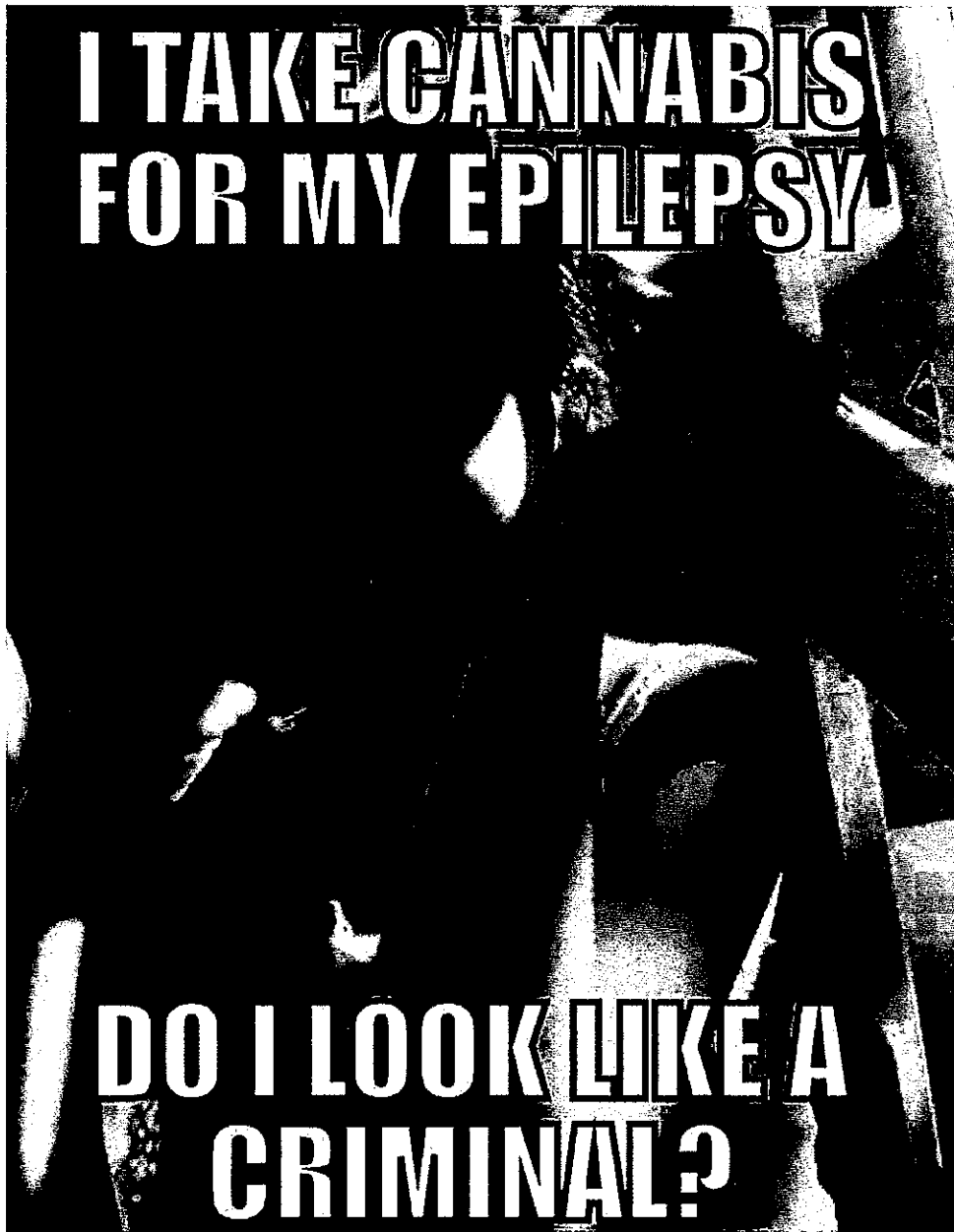
That's why our biggest hope for full legalization is gaining the right to grow cannabis at home.

Not only will this save us tens of thousands of dollars per year - - money that will go right back to Tuffy - - but it allows us to control exactly what is in and what is ON the plants that she needs.

Please help us by allowing home cultivation. Too many families and patients never even bother with our flawed and expensive medical marijuana program. Full legalization, with home grow, isn't just for people having fun. For us it's a matter of property or debt and, literally, life and death.

As a native of New Jersey we want the Garden State to live up to its name when it comes to legal marijuana.

Ricardo Rivera
Woodlynne, NJ
Email: tuffysfight@gmail.com




New Jersey Department of Health
 Medicinal Marijuana Program

#TUFFYSFIGHT
 Cannabis for Epilepsy Foundation

Established 2016

Instagram @tuffysfight
 TuffysFight@gmail.com




#TUFFYSFIGHT

Cannabis for Epilepsy Foundation

Tatayana "Tuffy" Rivera is a ten-year-old medical marijuana patient from New Jersey. When she was diagnosed with Lennox Gastaut Syndrome, a rare form of epilepsy, her parents and doctors searched for years before they learned about cannabis as a treatment.

Cannabis oil has decreased Tuffy's seizures by over 90% -- allowing her to finally enjoy the childhood she deserves! Now, Tuffy's family is on a mission to help others who are on their own cannabis journey.




Join the Fight!

tuffysfight@gmail.com

Facebook: #TuffysFight

Instagram: @TuffysFight

**CANNABIS IS
 SAVING
 TATYANA'S LIFE**



**LET TUFFY LIVE
 #TUFFYSFIGHT**

TESTIMONY OF CHRIS GOLDSTEIN
BEFORE THE NEW JERSEY SENATE JUDICIARY COMMITTEE
ON S3195 PENDING BEFORE THE COMMITTEE

Chris Goldstein
Willingboro, NJ
Cell: 267 702 3731
Email: activevoiceradio@gmail.com

Honorable Senators,

My name is Chris Goldstein. I'm a marijuana consumer advocate who has been working on reform here since 2008. I write a weekly marijuana policy column at Philly.com (since 2012) and I teach the "Marijuana in the News" class at Temple University's journalism department.

Like nearly one million of my fellow NJ residents, I smoke marijuana.

Recently, me and Ricardo Rivera formed a group - **Garden State Cannabis Consumers** - to work on S3195 and Assemblyman Michael Patrick Carroll's alternative bill A4193.

As we consider marijuana legalization in New Jersey, the rights of everyday consumers should be at the forefront, and stay there.

Legalization means far more than a right to buy. It also means creating spaces for social use, ending workplace discrimination, clearing records, and importantly on the economic side, it means allowing people to cultivate their own plants.

Growing a few marijuana seeds in a backyard or small indoor plot isn't for everyone. It takes time, dedication, and some know-how. Still, the option is critical to the concept of getting people to adopt a regulated atmosphere.

That's why it was an unwelcome shock when we saw that S3195 left out many provisions that are critical to consumers, including home cultivation. This bill is less of a blueprint and more of a loose template of ideas that will need a lot of work to achieve some real-world goals.

It would do nothing about New Jersey's particularly harsh prosecutorial practices that regularly send people to state prison, sometimes for a decade or longer, over fewer than 20 plants. Leaving the worst marijuana laws on the books will keep the dangerous game between small-scale growers and cops going at full-steam.

Moreover, if N.J. wants to reap the full economic benefits from the shift, we need the thousands of entry-level jobs in hydroponics, nutrients, lights, and gardening supplies that come with personal cultivation.

What's odd is that Senator Scutari's previous legalization bills had clear provisions for our green flower hobbyists.

What changed? Some legislators went to Colorado and encountered the Department of Taxation and Revenue's marijuana division. Its director, Barbara Brohl, has been railing against the practice and she pushed for recent legislation to curtail plant amounts in the Centennial State.

Colorado's issues shouldn't stop residents from growing in the Garden State.

We should be teaching other states a few lessons by tackling problems they haven't even touched yet. A big one is drug testing.

Workplace screening for marijuana has barred countless consumers from good jobs. THC tests for everyone involved in a court case is a major burden on drug treatment resources.

While states can't order businesses to stop drug testing, N.J. can change the practice for civic employees -- including police and firefighters. That shift would be a template for the private sector.

When N.J. legalizes cannabis (perhaps even sooner), the state should immediately stop THC testing for those on pretrial, probation and parole. During the height of the opiate crisis, we cannot afford to waste a single treatment on people being tested as a bureaucratic formality who do not have a legitimate addiction problem.

Another significant concern for consumers is getting their records cleared. S3195 does include some placeholder language about expungement, but the flood of such applications could seriously clog the courts.

N.J. residents can already apply to expunge marijuana possession convictions, but it takes hiring a lawyer for \$500-\$800. N.J. has reached record levels of cannabis arrests -- about 25,000 per year. That means hundreds of thousands need this relief.

Even if this legislature quickly adopts Senator Cunningham's flight of expungement reform bills, the process needs to be streamlined for marijuana. Individual applications - and attorney fees - need to be dropped in favor of a simple form and courts need to process these expungements en masse. It's not rocket science, California is doing the same right now.

The stated goal of S3195 -- and, really, any legalization effort -- is to end the illicit marijuana market. So far, no state has even come close to achieving that.

N.J. should innovate in this area. It's time to consider legitimizing the existing local, underground, small-scale growers and sellers.

Small quantity selling permits (1 lb. per month) with low application fees would get the weed gals/guys to go legit. They could purchase wholesale cannabis from the industrial, regulated cultivators and sell to local adults in their network. Sales tracking and ID checks could be done through a secure smartphone app.

Craft cultivator co-op permits could bring flower farmers out of the shadows. They could build a network of clients and fulfill orders akin to vegetable co-ops. This could also allow several growers to serve clients from a single space.

We are having this hearing because this legislature foresees \$300 million in new tax revenue. That would come from almost \$1 billion in cannabis sales. Every penny would come directly from the pockets of us - the consumers.

If you, as a government, really want all that cold cash it's time to start warming up to the 1 million of us already buying cannabis in the underground market.

Addressing our concerns first is the fastest way to get marijuana consumers to actually "buy in" to a regulated market.

Chris Goldstein
Willingboro, NJ
Cell: 267 702 3731
Email: activevoiceradio@gmail.com

TO: The Chairman and Members of the Senate Judiciary Committee

FROM: Roseanne Scotti, New Jersey State Director, Drug Policy Alliance

DATE: June 19, 2017

RE: Senate Bill 3195

Drug Policy Alliance (DPA) would like to thank Senator Scutari for his leadership on marijuana legalization. Drug Policy Alliance is committed to working together to make legalization beneficial to all New Jerseyans. We believe it is essential to add certain provisions to the legislation to ensure that it creates a fair and equitable marijuana market and repairs the harms that have disparately impacted communities of color in New Jersey. The Drug Policy Alliance and the *New Solutions Campaign*, a broad coalition of faith leaders, civil rights and racial justice advocates, are advocating for fair and equitable marijuana reform in New Jersey.

Marijuana laws in New Jersey have a disproportionate impact on communities of color. African Americans are three times more likely to be arrested for marijuana possession than whites even though both use marijuana at the same rates. Anecdotal evidence suggests similar disparities for Latinos. Marijuana legalization cannot be considered in a historical vacuum. For decades, marijuana criminalization has disproportionately impacted communities of color. Marijuana legalization must address these historical disparities and ensure fairness and equity moving forward. In many states the benefits of marijuana legalization have not been equally realized by all residents. Too often the individuals that profit from a legalized market and the jobs generated do not reflect the diversity of the state in question. We cannot let this happen in New Jersey.

Fair and equitable reform must include the following policies:

- Protections for those who apply for a license or employment in the industry who have prior arrests and/or convictions;
- Access to the industry for individuals from different socioeconomic backgrounds;
- Requirement that the state shall actively seek to achieve a diverse industry;
- Provisions intended to repair communities most harmed by marijuana prohibition, including expungement and investment of revenue generated into communities; and
- Civil penalties for marijuana activities that occur outside the new legal system to avoid the continuation of a criminal system that disproportionately harms communities of color.

We also believe that similar to alcohol, there must be an allowance for small amounts of home cultivation of marijuana, just as there is an allowance for small amounts of home brewing for personal use in the alcohol market.

Marijuana prohibition is costly, unfair and ineffective. New Jersey arrests more than 22,000 people a year for marijuana possession at a cost of more than \$125 million to New Jersey taxpayers. This absurd and wasteful policy criminalizes otherwise law-abiding people and wastes resources that would be better spent on projects that support our families and communities.

A conviction for marijuana possession can have severe long-term consequences. The resulting criminal record subjects a person to a system of legal discrimination that can last a lifetime and can make it difficult or impossible to secure employment, housing, student loans, or even a driver's license. Even without a conviction, the consequences of an arrest can include untold stigma and humiliation, the

financial burden of a criminal court proceeding and lost hours at work or school. Marijuana laws have also been used to support biased policies like stop and frisk, racial profiling and the deportation of people of color.

A majority of New Jerseyans support legalization, including a broad coalition of faith leaders, civil rights and racial justice advocates (see attached list). New Jersey should enact common sense and popular reform to create a responsible, safe and controlled system for marijuana. Eight states (Alaska, California, Colorado, Maine, Massachusetts, Nevada, Oregon and Washington) and the District of Columbia have now legalized marijuana. These states have created new jobs and generated millions of dollars in tax revenues without negative consequences. These states have also seen a large drop in arrests for marijuana and thus fewer people labeled as criminals simply because they use marijuana. And legalizing, regulating and controlling marijuana is a more effective way to keep marijuana away from youth.

Legalizing marijuana will create new jobs and generate millions of dollars in tax revenue to fund projects that help all New Jersey residents. Otherwise law-abiding people will no longer be labeled as criminals and racial disparities and harms will be reduced. Resources that are currently wasted on marijuana prohibition will be freed to use for projects that support our families and communities. The time has come for New Jersey to legalize marijuana and we must take a fair and equitable approach.

We look forward to working with Senator Scutari and other members of the legislature to make sure this legislation benefits all New Jerseyans.

Thank you for your time and consideration.

New Solutions Campaign

Promoting Fair & Effective Criminal Justice • Strengthening Families & Communities

Action Together – Burlington County
Action Together New Jersey
Anti-Poverty Network of New Jersey
Campaign to End the New Jim Crow
Drug Policy Alliance
Faith is Our Pathway
Immigrant Rights Program, American Friends Service Committee
LatinoJustice PRLDEF
NAACP – New Jersey State Conference
New Jersey Association on Correction
New Jersey Citizen Action
New Jersey Institute for Social Justice
New Jersey Parents’ Caucus
New Jersey Policy Perspective
New Jersey Working Families Alliance
Prison Watch Program, American Friends Service Committee
Salvation and Social Justice
Unitarian Universalist Legislative Ministry of New Jersey
Volunteers of America – Delaware Valley Chapter
Women Who Never Give Up
Rabbi Rachel Kahn-Troster, T’ruah: The Rabbinic Call for Human Rights
Rev. Charles Boyer, Bethel AME Church of Woodbury
Rev. Robin Tanner, Beacon Unitarian Universalist Congregation

Sponsored by

Drug Policy Alliance | 16 West Front Street, Suite 101A, Trenton, NJ 08608
nj@drugpolicy.org | 609.396.8613 voice | 609.396.9478 fax



"All Persons are by nature Free and independent, and have certain natural and unalienable rights, among which are those of enjoying and defending Life and Liberty, of acquiring, possessing, and protecting Property, and of pursuing and obtaining safety and Happiness. All political Power is inherent in The People. Government is instituted for the protection, security, and Benefit of The People, and they have the right at all times to alter or reform the same, whenever the Public Good may require it."

- N.J. State Constitution. #LibertyAndProsperity

Justin Escher Alpert
Livingston, New Jersey
justinalpertesq@escheralpert.com

June 19, 2017

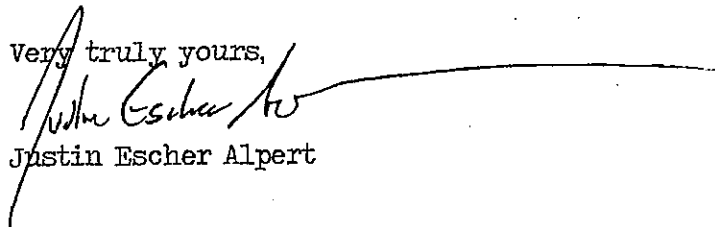
Dear Senate Judiciary Committee:

Thank you for taking up the cause of responsible cannabis policy reform with respect to adult social use. Prohibition has failed because it prohibits responsible regulation. Nobody is asking for permission from their government to use this God-given plant... The reality is that they exercise the personal liberty every day. The People of The Garden State seek *to secure the blessings of liberty*. Thank you for leading the conversation. A few thoughts:

1. Forty years ago, mistakes were made with respect to gaming. We let ownership interests unaccountably flow out of State. Atlantic City hurts while we ship \$500 million in profit per year out to our Vegas-based owners. Let us not make the same mistake again. If we democratize opportunity out of a broad sense of economic liberty, we can create a new economic model and keep it small and local and accountable to the community served, with the gross excess being plowed back into the community. The responsible members of the Cannabis Community could set the standards of excellence for other "regulated" industries to follow.
2. Cultivation is a practice. It is an art and a science. It is a *passion*. The personal liberty of home cultivation will keep a solid check on corporate corruption and drive innovation.
3. Good citizens of like mind have a constitutional right to peaceably assemble. The law should reflect as much.
4. The Public would like to participate in the reconciliation of the Democratic bill in the State Senate and the (some say more-preferable) Republican bill in the General Assembly. Let's bring all sides together and do this responsibly.

Again, thank you for leading the conversation. Let's cultivate real economic and cultural growth here in The Garden State.

Very truly yours,


Justin Escher Alpert

103v



June 19, 2017

Dear Chairman Scutari and Members of the New Jersey State Senate Judiciary Committee,

Re: Senate Bill 3195

Allow me to introduce myself. My name is Moira Nelson. I live in Bloomfield, NJ in Essex County and I work in Edison, NJ in Middlesex County. I am a lifelong progressive Democrat, a political activist, organizer, and leader. My personal passions include fighting for social equity for all humans and, as an advocacy leader with the National Council for Alcoholism and Drug Dependence in NJ (NCADD-NJ,) I am fanatical about increasing awareness of alcoholism and addiction issues. I am particularly passionate about fighting for the decriminalization of drug use and educating others on the failure of the "War on Drugs," its history, and how it targets people of color. I firmly believe that substance abuse disorders must be treated as a public health issue rather than a criminal justice issue. Since 2010, I have mentored women in recovery that are striving to maintain long-term sobriety and I am currently focused on leading the addiction-awareness "Night of Conversation" initiative in Essex County this November. And, most importantly, I was recently named Director of Drug Policy Reform for Action Together New Jersey, the fastest growing progressive, grassroots organization in the Garden State with over 18,000 members statewide and chapters in every county in the state.

As Director of Drug Policy Reform for Action Together New Jersey, I am submitting this testimony today on behalf of our organization's vast membership to express our concern with Senate Bill 3195. While we commend Senator Scutari's leadership on the issue of marijuana legalization, we are disappointed to see certain elements missing from the bill that are essential to establishing a fair and equitable marijuana market and repairing the harms that have disproportionately impacted communities of color in New Jersey.

African Americans are three times more likely to be arrested for marijuana possession than whites even though both use marijuana at the same rates. Anecdotal evidence suggests similar disparities for Latinos. In addition to the severe long-term consequences of a marijuana conviction, marijuana laws have been used to support biased policies like stop and frisk, racial profiling and the deportation of people of color.

As New Jersey considers legalizing, taxing and regulating marijuana, fairness and equity demand a system that includes policies that provide a level playing field and address past harms, including:

- Protections for those who apply for a license or employment in the industry who have prior arrests and/or convictions – an individual may not be denied a license or employment solely because of a prior arrest and/or conviction;

- Access to the industry for individuals from different socioeconomic backgrounds, including: a licensing structure that provides a path for small business owners to enter the market; and fees for applications and other costs for entering the industry must be scaled and reasonable to allow for a competitive and diverse market.
- Requirement that the state shall actively seek to achieve a diverse industry, including: an emphasis on racial, ethnic, gender and geographic diversity among license holders. The state must encourage applicants who qualify as minority or women's businesses to apply for licensure; and no location restrictions for marijuana businesses that result in a lack of business opportunity and job creation in urban areas.
- Provisions intended to repair communities most harmed by marijuana prohibition, including: a portion of tax revenue generated by marijuana legalization shall be invested in those communities disproportionately harmed by marijuana prohibition; and automatic and retroactive expungement for all arrests and convictions that are no longer a crime under the new law.
- Penalties for marijuana activities that occur outside the new legal system must be civil penalties rather than criminal to avoid the continuation of a system that disproportionately harms communities of color.

These components are critical to making any marijuana legalization law fair and equitable.

The criminalization of marijuana has been a tragic failure. New Jersey arrests more than 22,000 people a year for marijuana possession at a cost of more than \$125 million to New Jersey taxpayers. This absurd and wasteful policy criminalizes otherwise law-abiding people and wastes resources that would be better spent on projects that support our families and communities.

A conviction for marijuana possession can have severe long-term consequences. The resulting criminal record subjects a person to a system of legal discrimination that can last a lifetime and can make it difficult or impossible to secure employment, housing, student loans, or even a driver's license. Even without a conviction, the consequences of an arrest can include untold stigma and humiliation, the financial burden of a criminal court proceeding and lost hours at work or school.

Members of Action Together New Jersey urge you to support marijuana legalization legislation that creates a fair and equitable marijuana market and repairs the harms that have disproportionately impacted communities of color. Thank you for your consideration.

Best Regards,

Moira Nelson
Director of Drug Policy Reform

Action Together New Jersey
www.atnj.org

ph. 818-522-2063
MoiraN@atnj.org

19 June 2017

Chairman Scutari and Members of the Senate Judiciary Committee
of the New Jersey State Senate
Trenton, NJ

Re: Senate Bill 3195

I am a lifelong resident of Jersey City, New Jersey and the President & General Counsel of LatinoJustice PRLDEF, a national civil rights public interest law office that represents Latinas and Latinos throughout the country and works to increase their entry into the legal profession. I respectfully submit this testimony on Senate Bill 3195 to express our concern regarding some of the limitations of this important legislation.

At LatinoJustice we are particularly concerned about disparate law enforcement policies that result in excessive and unnecessary incarceration of Latinas and Latinos throughout the country. As you know, marijuana laws in New Jersey have a disproportionate impact on communities of color. African Americans are three times more likely to be arrested for possession than whites. Given the data limitations in New Jersey anecdotal evidence reveals that similar disparities exist for Latinos as well. And yet all available data confirms that marijuana use is roughly the same across racial lines. Moreover, given the severe long-term consequences of a marijuana conviction, marijuana laws have been used to support biased policies like stop and frisk, racial profiling and the deportation of people of color. LatinoJustice engages in litigation against police and governmental entities to stop these and other racially disparate law enforcement practices. We complement that litigation with advocacy and community education about the impact of the criminal justice system on this important sector of this state and of this country.

Admittedly, the criminalization of marijuana has been a tragic failure. New Jersey arrests more than 22,000 people a year for marijuana possession at a cost of more than \$125 million to New Jersey taxpayers. This absurd and wasteful policy criminalizes otherwise law-abiding people and wastes resources that would be better spent on projects that support our families and communities.

Given this context marijuana legalization legislation must make provisions for repairing the harms that have disparately impacted communities of color in New Jersey as well as establishing access for all to a fair and equitable marijuana market.

Accordingly, we would support policies in this category of legislation that would, at a minimum, include:

- Provisions intended to repair communities most harmed by marijuana prohibition;
- Civil penalties for marijuana activities that occur outside the new legal system to avoid the continuation of a criminal system that disproportionately harms communities of color; and

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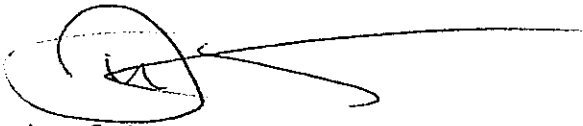
Southeast Regional Office
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Colby

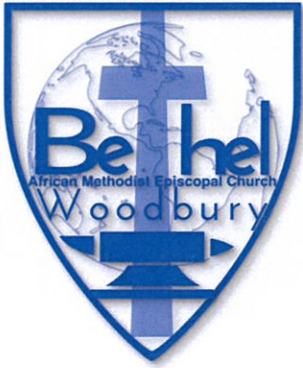
- Additional protections to ensure equal access to this new market including: eliminating prohibitions to enter the market for persons with prior arrests or convictions for marijuana and significant commitments to diversify all aspects of the industry based on socio-economic and other factors.

In sum, LatinoJustice urges you to support marijuana legalization legislation that repairs the harms that have disproportionately impacted communities of color in the past and that creates a fair and equitable marijuana market.

Thank you for your consideration,

A handwritten signature in black ink, consisting of a large, stylized 'J' and 'C' followed by a long horizontal line extending to the right.

Juan Cartagena
President & General Counsel
LatinoJustice PRLDEF



Salvation and Social Justice

Reconnecting Clergy to Civil Rights

Rev. Charles F. Boyer

*32 Courtland Street, Woodbury NJ 08096
856.318.4529 revboyersalvationandsocialjustice.info*

June 19, 2017

Dear Chairman and Members of the Senate Judiciary Committee,

Re: Senate Bill 3195

My name is Reverend Charles Boyer and I am the Pastor at Bethel AME Church in Woodbury. I am also the founder of Salvation and Social Justice, a nonprofit organization here in New Jersey dedicated to reconnecting clergy to civil rights.

I am here today to express my support for a racial and social justice focused marijuana legalization initiative in New Jersey. Marijuana prohibition and the failed war on drugs has devastated communities of color. Fair and equitable marijuana legalization in our state can be a first step to repairing some of the harms inflicted on our families and communities by marijuana criminalization.

While I thank Senator Scutari for his leadership in introducing Senate Bill 3195, I also want to express my concern about the lack of certain racial and social justice elements being included in the legislation.

Marijuana legalization must be understood from a moral perspective. As an African American faith leader, I have seen firsthand how the war on drugs has disproportionately harmed my community even though Black and white communities use marijuana at similar rates.

A conviction for marijuana possession can have severe long-term consequences and can make it difficult or impossible to secure employment, housing, student loans, or even a driver's license. Marijuana legalization in New Jersey must address these harms and repair those communities most impacted by our failed marijuana policies.

Senate Bill 3195 should include policies that provide automatic and retroactive expungement, access to the industry for individuals with prior convictions and those from different socioeconomic backgrounds, the creation of civil penalties for those who operate outside the legal market so as not to perpetuate racial disparities within the criminal justice system, and reinvestment of the revenue generated into those communities most harmed by marijuana prohibition.

Legalization without these elements would be a failure and would not be the type of marijuana initiative that I or my community can support.

Marijuana legalization is about righting the wrongs of the past. It is a public recognition that our marijuana policies are costly, unfair and ineffective. Without the inclusion of the specific elements mentioned above, there will be no fairness or equity in New Jersey's newly created marijuana market.

I urge you to include these elements in Senate Bill 3195. Thank you for your time and consideration.

Sincerely,

Reverend Charles F. Boyer



Chairman and Members of the Senate Judiciary Committee,

Re: Senate Bill 3195

My name is Tom Moran, a resident of Morris County and a Board member of the Unitarian Universalist Legislative Ministry of New Jersey (UULMNJ). The UULMNJ represents Unitarian Universalist congregations across our state. I want to thank you for holding this public hearing on marijuana legalization and want to thank Senator Scutari for his leadership on this issue.

I am here today to express my Board's and our 3000 members' concern with Senate Bill 3195. While we commend Senator Scutari's leadership on the issue of marijuana legalization, we are disappointed that the bill does not establish a fair and equitable marijuana market, addressing proactively years of disproportionate harm to poorer communities and especially communities of color in New Jersey.

For 200 years, Unitarian Universalists have spoken up for core principles of freedom of conscience and the rights of the marginalized and dispossessed. The plain fact of the matter is that for years, people who look like me and live where I live could smoke now and then with little to no repercussions with regard to our criminal justice system. Meanwhile, down the road in other communities who do not look like me were far more often arrested and jailed for the same exact action. We know that African Americans are three times more likely to be arrested for marijuana possession than whites even though both use marijuana at the same rates. It is for exactly that reason that our religious body, including our Board and membership in plenary session, have arrived at the decision that, despite some reservations, we will support the decriminalization of marijuana use in NJ. That is also why we require that any plan for legalization will not heap insult on top of injury, gifting this lucrative new franchise to people who look like me and formally or informally exclude members of those communities that have suffered the most harm.

As New Jersey considers legalizing, taxing and regulating marijuana, fairness and equity demand a system that includes policies that provide a level playing field and address past harms, including:

- Protections for those who apply for a license or employment in the industry who have prior arrests and/or convictions;
- Access to the industry for individuals from different socioeconomic backgrounds;
- Requirement that the state shall actively seek to achieve a diverse industry;
- Provisions intended to repair communities most harmed by marijuana prohibition; and
- Civil penalties for marijuana activities that occur outside the new legal system to avoid the continuation of a criminal system that disproportionately harms communities of color.

These components are critical to making any marijuana legalization law fair and equitable.

The criminalization of marijuana has been a tragic failure. New Jersey arrests more than 22,000 people a year for marijuana possession at a cost of more than \$125 million to New Jersey taxpayers. This absurd and wasteful policy criminalizes otherwise law-abiding people and wastes resources that would be better spent on projects that support our families and communities.

A conviction for marijuana possession can have severe long-term consequences. The resulting criminal record subjects a person to a system of legal discrimination that can last a lifetime and can make it difficult or impossible

to secure employment, housing, student loans, or even a driver's license. Even without a conviction, the consequences of an arrest can include untold stigma and humiliation, the financial burden of a criminal court proceeding and lost hours at work or school.

As people of faith who have historically supported the abolition of slavery, the rights of suffrage for women, civil and human rights for Americans of color and glbt Americans, Unitarian Universalists in New Jersey now also call for thoughtful consideration of marijuana legalization legislation--but only one that creates a fair and equitable market and repairs the harms that have disproportionately impacted our brothers and sisters of color. Thank you for your consideration.

Sincerely,

Tom Moran on behalf of the Board of Trustees and membership, Unitarian Universalist Legislative Ministry of NJ

Dear Senators,

My name is Sanjay R. Chaudhari. I am a CUMMA patient, and with this letter I wanted to spend time today, expressing some key issues with the CUMMA that I feel need to be addressed in any new bills to better serve actual patient needs first and to return the compassion back to the act that is sorely needed. I believe there are many issues with the Act that are inherently discriminatory in nature, inappropriate, and potentially in direct violation of the US Constitution in regards to our constitutional rights to access safe medicine.

I am employed as a horticultural specialist with Spectrum360, where I work to train, educate and find employment for our adult clients 21 and over on the autistic spectrum. I am also a Rutgers Certified Master Gardener and a contributor and presenter for the master gardeners Speakers Bureau. I would kindly request that my testimony be considered that of a horticultural expert.

1. First let me say that I feel the term "Marijuana" should be replaced with the term "Cannabis." The history of the term Marijuana in this country is steeped in bigotry and racism against African Americans and the Latino Community, especially Mexican communities and families. NJ can be a leader in this country by working to remove the stigma and bigotry associated with this wonderfully medicinal plant and to call it by its scientific name rather than the Spanish word for Cannabis, marijuana. I would suggest changing the name of the CUMMA to CUCA, or the compassionate usage of cannabis act. I feel saying medical cannabis is redundant as cannabis is likely one of the most medicinal plants on Earth and the argument can certainly be made for it being The most medicinal plant on the planet.
2. The US Constitution guarantees the right to access safe medicine. I visited all 5 ATCs in the month of May. I was extremely disappointed with all of the cannabis that I saw and all of it was far from the highest quality. Most if not all ATCs admittedly use non-organic, synthetic, chemically derived nutrients to provide all of the fertility and nourishment for their plants. A sub group of chemical based nutrients categorized as PGRs, Plant Growth Regulators, were found in a 2011 research evaluation by the National Institute of Health tested 5 PGRs and found over 40+ toxins in all five. These synthetic nutrients were found to be extremely damaging to the kidneys and liver. Many patients including myself have allergies and sensitivities to PGRs and the synthetic chemical based nutrients that are commonly being used by ATCs to mass produce their cannabis. Many fellow patients that I have spoken to have also reported producing phlegm speckled with black residue. As CUMMA is currently requiring patients to only purchase this ATC cannabis produced using potentially harmful synthetic chemicals and nutrients, it is potentially negligent in meeting patients needs.
3. It is generally agreed upon that organic soil grown cannabis produces the highest quality medicinal cannabis flowers with the highest concentrations of the desired cannabinoids, terpenes, and essential oils, free from toxins. All 5 ATCs grow hydroponically or in a "soilless" medium, which does not allow for full terpene and essential oil expression, as top shelf, soil grown cannabis would.
4. The cannabis that CUMMA allows makes me sicker because of my allergies and environmental sensitivities to chemical nutrients. I'm too old to break the law and too educated and knowledgeable to

be comfortable combusting cannabis flowers produced from synthetic chemicals in my lungs. These limitations of CUMMA support the black market and all of the bad things that can come with. Freeing the plant can free patients and release the grip and money that organized crime nationally and internationally make from these drawbacks of the current suggested legislation.

5. 13.6% of the total enrolled CUMMA patients have already died based on the annual report. Its an alarming statistic and I don't feel the needs of this protected group are being taken seriously by CUMMA. Instead this protected group of patients many of whom including myself should be also protected under the ADA, Americans with Disabilities Act, are being discriminated against by being inappropriately and unjustly taxed on their Board certified physician recommended medication while no other patients in this state pay any tax on either their over the counter medications or prescription medication. I would say that this is an textbook example of discrimination and is negligent of the State of New Jersey. I don't think it's enough to stop taxing patients. I think all of the unjust taxation of the CUMMA should be returned to the living patients and to the families of the deceased patients.
6. ATC's each offer several strains of cannabis for patients to choose from. The selection is too limited given that there are thousands of different strains that have very different medicinal applications and may suit CUMMA patients better than what is available at ATCs. Most strains that ATCs carry are modern hybrids of Cannabis Sativas and Cannabis Indica plant families. I strongly feel that the true medicine will be found in the original landrace and heirloom strains that have far more special recessive alleles than the modern cannabis hybrids where the unique recessive alleles have been lost by years and years of selection based on quantity, speed, and THC percentages
7. Commercial cannabis production everywhere is notorious for harvesting Cannabis flowers before they are fully ripened to increase their cycle speeds and profitability. While this makes sense as a business model it doesn't make sense when patients rights to the safest and best medicine should be the goal for a medical program.
8. The industry standard production methods of growing plants with 18 hours of light and 6 hours of dark for the vegetative stage, when plants are just actively growing but not producing medicinal flowers yet, and 12 hours of light and 12 hours of dark for the flowering phase, once plants have reached the desired size and are ready to flower, produce a very similar and bland expression of what should be varied. There is nowhere on the earth where a plant would suddenly go from 18 hours of daylight to 12 hours of daylight.
9. I recognize that asking the ATCs to all suddenly offer organic cannabis may be extremely costly, and impractical especially for the ATCs that are exclusively or predominantly producing hydroponic production methods.
10. Many patients that I have spoken to are interested in filing a class action lawsuit to correct the issues with the CUMMA, but I think with quick amendments to the CUMMA this can be appropriately addressed.
11. I would recommend to immediately allow CUMMA patients to grow up to 12 flowering cannabis plants and 12 pre-flowering cannabis plants. While this may seem like a large number to some it really isn't. Patient that choose to be empowered with their treatment and grow their own medicine will likely need to try growing many different strains until they will find their "Goldie Locks" strain that is just right for their specific biochemistry and needs.

12. There is a strain called Blueberry. If a patient were to grow out 10 seeds of this strain or any other strain the 10 plants produced would be similar but have some different phenotype expression also and the selection of the plant that a patient would want to propagate for the longer term would vary. Patient 1 may prefer plant #3. Patient #4 may choose plant #6 and ATC 1 may chose plant #8 because it produces 20% more flower, ATC 2 may choose plant #5 because it produces the same quantity as plants #3 and #4 but the flowers may ripen several weeks earlier than the rest, but this may not be the best medicine. It is a very personal decision and patients should be empowered to find their own best medicine.
13. I think more broadly beyond the CUMMA when licenses are being considered for large scale production the environmental impact of the potential licensees' cultivation methods should be considered. Hydroponic cultivation will always have large quantities of chemical runoff and have a larger negative environmental impact that should be taken into consideration. I think preferential treatment should be given to those entities that will be growing organically and will have a reduced negative environmental impact.
14. I feel entities like 501c3 non-profits and L3C limited liability companies with more of a social service based mission should be given preferential licensing or reduced and expedited licensing when compared to a purely profit motivated entity. I would love to be able to employ my adult clients and other adults 21 and over on the autistic spectrum that dramatically lose services and supports once reaching 21. I think before everyone lines up with dollar signs in their eyes and greed in their heart, this legalization can be a boon for many groups and social services that are hard pressed for funding to continue their work, like most non-profits.
15. Something has to be done for the individual, families and communities hardest hit by this war on medicine that has been waging for too long.
16. I think some portion of tax revenue from legalization should be used to further research and study the cannabis plant as our understanding of it and its numerous benefits is still in its infancy.
17. I have been a cannabis patient in two states, here in New Jersey now and in California previously. I can say as a matter of fact that the Cannabis being produced in California and Colorado, Washington State, and Oregon for that matter is not as good as cannabis can be. I see no reason why with the proper regulation and encouragement of organic production techniques why New Jersey cannot be producing the highest quality cannabis in this country in a few years. We are at a critical juncture where New Jersey will decide if we will be producing hum drum cannabis like Colorado and California or if we will be pushing the boundaries and setting the new standards for what cannabis can be.

I'd enjoy speaking an opportunity to sit down with you and discuss in greater detail why these changes would be beneficial for patients of the CUMMA program and residents of the great state of New Jersey

Sincerely,

Sanjay R. Chaudhari

sanjayrchaudhari@yahoo.com

224-715-4117



Clubs of New Jersey

**AAA Testimony for the Senate Judiciary Hearing
June 19, 2017**

Thank you Chairman Scutari for holding this important hearing today. My name is Cathleen Lewis and I am the chairwoman of the Coordinating Council of the AAA Clubs of New Jersey. Collectively, AAA represents more than two million New Jersey motorists.

The issue before you is complex and impacts many disparate public policy areas. I am here today to raise grave concerns regarding the impact the legalization of recreational marijuana use will have on the safety of our roadways, including but not limited to:

- A significant increase in drugged driving and marijuana-involved fatal crashes
- A lack of tools to measure impairment based on the presence of THC
- A lack of understanding by the general public about the impairment capabilities of today's marijuana and the impact that it has on driving ability.

AAA continues to investigate the full impact that legalization has had in other states and we continue to look to evaluate best practices that should be considered in New Jersey.

Drugged Driving

First and foremost, the Governors Highway Safety Association says drugged driving is surpassing drunk driving as a factor in fatal crashes.

In a recent AAA Foundation study we found a small increase in overall consumption but a large increase in usage prior to fatal crashes.

We found that in the year following the change in Washington's law, the proportion of drivers involved in fatal crashes who had recently used marijuana had more than doubled from 8-percent to 17-percent. This means that 1 in 6 drivers involved in fatal crashes had recently used this impairing drug.

We know marijuana use only increases after a state legalizes recreational use. We know that people drive high. Some are impaired and some aren't. Almost all think they can drive better. (In a survey of regular marijuana and hashish users in Colorado and Washington in 2016, participants were asked if they were high or feeling the effects of marijuana when they took the

survey. Those who reported being high were more likely to believe they could drive safely under the influence of either marijuana or alcohol. But they can't.)

Marijuana impairs psychomotor skills and cognitive functions, including reaction time, distance perception, lane tracking, motor coordination, and attention span.

These data combined with the knowledge that, conservatively, marijuana at least doubles the risk of causing a traffic crash, suggest that legalizing the recreational use of marijuana leads to the drug contributing to a growing number of traffic crashes that kill people.

It should be noted that this increase in crash risk is complicated by public perceptions that driving while under the influence of marijuana is safe and a lack of understanding of the potency of today's marijuana.

Testing for Impairment

Complicating the issue of marijuana while driving is a lack of tools to effectively quantify impairment.

No tool can accurately detect impairment from marijuana as well as a breathalyzer tests for alcohol impairment. Marijuana/THC presence and concentration measured in bodily fluids such as blood, saliva or urine does not directly correspond to impairment in the brain or behind the wheel

Alcohol is water soluble and can be detected in the blood. But THC, the active ingredient in marijuana, is fat soluble – and absorbed differently in the fatty tissues of the brain. THC can still be active in the brain when it can no longer be measured in the blood.

Drivers do not reliably become impaired at specific levels of marijuana (i.e., active-THC) in the blood. Some drivers with relatively high levels of marijuana in their system might not be impaired, while others with lower levels may be unsafe behind the wheel. Marijuana users cannot accurately determine how much marijuana is in their blood or the fatty tissues of their brain where impairment occurs.

The AAA Foundation published a report last year to determine if a meaningful per se standard exists for marijuana. After analyzing data from nine marijuana states, researchers concluded that there is no amount of marijuana in our body for use to reliably predict impairment.

There is insufficient scientific evidence to support legal limits, also known as per se limits, for marijuana and no scientific correlation between level of active-THC in the blood and impairment.

Understanding Impairment and Today's Marijuana

Three years ago AAA began to ask questions about drugged driving in our biannual survey. While about 98% of respondents have consistently rated drinking and driving as an extremely dangerous behavior only 85 % had the same view of driving under the influence of drugs in 2014. This falls short of a true understanding of the impact that driving under the influence of marijuana.

Part of the public's misperception comes from a lack of understanding of how marijuana has changed over the years. The potency of the marijuana today is exponentially stronger what was on the streets in the 1960's, 70's and 80's. Active THC was 3 to 5%. Today, THC in marijuana buds = 15-25%, and 80-90% active THC in edibles and extract. This significant increase in potency makes the impact on driving ability far more severe and often unexpected to the user.

Best Practices and Practical Solutions

First and foremost the simplest way to prevent the increase crash risk would be to strengthen our impairment laws and continue current drug classifications.

But given the subject of today's hearings, I think it's important to talk about what we have learned from other states.

There is a common theme when you talk to the law enforcement and traffic safety community about what they wish had happened before legalization occurred in their states: education, training and research.

Education – the bill as currently written provides for town hall meetings in all 21 counties to explain the value of marijuana but it does not provide any sort of education on the potency of today's marijuana, its side effects, its impairment or its impact on driving ability. Funding education campaigns prior to enactment will be key to keeping people off the road while impaired and to ensuring that people understand what it is they are using.

Training – While there currently are no tools to quantify impairment, there are tested and proven methods of observation that can be used to determine impairment. These methods require substantial training of law enforcement which requires additional funding. In October of 2016, AAA gathered 80 stakeholders including members of law enforcement to discuss priority areas for traffic safety, including impaired driving.

While New Jersey has the 2nd largest population of trained Drug Recognition Experts (DREs), we still don't have enough to cover all our roadways. To address this problem, some counties have created call out programs which allows municipalities to draw from a countywide or regional pool of DREs to ensure quick responses. Initiatives like the call out program need to be expanded and properly funded. Funding these important Highway Traffic Safety programs is a critical component to keeping our roadways safe.

Research - States that have legalized marijuana have not been able to determine how much of an impact marijuana has had on impaired driving because there is no accurate information to compare. Prior to legalization most law enforcement would not test for marijuana if alcohol was involved, and many would not test the amount of THC because presence itself was illegal. Providing time for departments to begin collecting and testing for marijuana would help us to better understand its impact on our roadways and how to address it.

While there is currently no technology that is equal to the breathalyzer, there are new and emerging technologies that could be part incorporated into pilot programs to help find ways to test for impairment.

This is just a brief overview of the concerns that legalizing recreation marijuana pose to the safety on New Jersey's roadways. To better understand these concerns and to understand some of the ways to address them, AAA will be holding an Impaired Driving Summit on December 19th in Hamilton. I invite the committee to attend this important forum to learn more about the issues I raised here today. Thank you for your time and consideration.

Philip Kirschner, Esq.
Parent
Moorestown, NJ
609-462-2996

I am representing myself as a parent today. I very much oppose the bill S3195. It is wrongheaded and premature, at best.

In the discussion whether marijuana is a gateway drug, it sure is. We know that 10% of people who begin using marijuana will become addicts so it certainly is.

On the issue of its impact on young people, do you really think that the drug dealers are going to throw up their hands and just go away. They are businesses and they will maintain their profits by selling more to each customer which are the teenagers, 14, 15, 16, 17, high school students and 18, 19, and 20 year olds who go into the workforce after high school or are college students. The drug dealers will tell these kids that they don't sell the weak stuff you get at dispensaries. They will say that their marijuana is more potent, and you can buy as much you want. They will say that they don't charge a 25% tax and they will make sure that their prices are competitive. This means more addicts, more misery for parents and their children.

A few words about the economic impact. The only people who are going to make any real money are the cultivators, growers, producers, distributors, owners of dispensaries, lobbyists and lawyers. The economy will certainly not be impacted by these stores hiring some \$9 an hour dispensary clerks.

This bill is driven by wanting to produce more money from taxes. The truth is you don't know and I don't know how much this will raise. The cost of regulation, addiction treatment, the percentage of people 21 and over who will still buy from drug dealers because they sell more potent marijuana, and will sell them as much as they want without taxes, at a good price are not known.

Don't do this bill. There are other important legislation that you can work on and need your attention. You can fix the medical marijuana laws first. They have been in effect for seven years and the laws and regulations are still not complete. You can also decriminalize marijuana offenses and end racial disparities. This bill makes New Jersey the first state to both decriminalize and legalize marijuana at the same time. This is foolish because it is too hard to get it right and this is why no other state has done it.

Finally, I plead with you, despite your rush for more taxes, to abandon this bill. The cost in human lives and misery is simply not worth it.

My name is Peter Rosenfeld. I am a member of the board of the Coalition of Medical Marijuana, New Jersey (CMMNJ).

I will speak on the issue of recreational marijuana legalization from a medicinal marijuana point-of-view.

Our organization likely will strongly support a legalization bill as it will give some form of access to cannabis for patients who do not qualify under the current CUMMA law, as well as immediate access to patients who do not have time to become qualified medical marijuana card holders, such as people about to go under chemo. It will also be attractive to medical patients who do not want to, or cannot, go through the difficulties and expense of enrolling in the current program.

But I and the many patients I have talked to are very disappointed that the proposed bill likely does not include home cultivation as we expected.

Currently, nearly half of New Jersey registered medical marijuana card holders are low-income, on Social Security Disability Income (SSDI), with typical monthly incomes of \$1,100. The average price of medical marijuana from the state's ATCs is still hovering around \$500/ounce. For a patient who uses 2 ounces a month, this is almost their entire monthly income. This is obviously impossible for them. Due to these high prices, patients borrow money from relatives, use much less than they need, or drop out of the program and return to using lower-cost street marijuana.

Additionally, availability of medical strains is episodic at the ATCs. Many patients find that only very specific strains work well for their medical conditions, which are not always in stock. Even the high CBD strains needed by many pediatric patients for their seizures will often be out of stock for months. Uneven supply and very high cost is why a number of parents with pediatric patients and adult patients have left the state to move to states with legal home cultivation.

Senator Scutari has stated that he did not include home cultivation in his bill due to problems he heard about in Colorado with issues like diversion, even though I can find little evidence this is a significant problem. We can sit down and discuss with legislators how to control home cultivation so that a "bright line" is established such that an official could tell at a glance if the home cultivation was within the law. Please talk to us if this is the perceived problem.

But do not let these resolvable issues prevent New Jersey from allowing desperately needed home cultivation for our medical patients.

Thank you,

Peter Rosenfeld Board Member of the Coalition of Medical Marijuana, New Jersey

~~301 N. Franklin Turnpike, Suite 1000, Englewood, NJ 07639~~

~~609-941-1111~~

jprosenfeld@yahoo.com

To whom it may concern:

I submitted the letter below last night via e-mail and slept on the topic, in hindsight I realized what led to my early experimentation; it had nothing to do with bad parenting or being deprived of love or material items. It was simply the plethora of misinformation that was coming not only from my blessed parents, but also from our government; where my parents got the information from. Respectfully, you folks can either decide to stop the cycles of misinformation or embrace it. The ads in question are wrong simply because they continue the cycle of misinformation, propaganda and outright lies; if you want the teens to experiment and find the truth on their own, then go on with the campaign. (my original submission is below this missive in green font)

Unfortunately, newspapers need money to survive; but that is essentially how prohibition started (yellow journalism). As stated below at the pinnacle of my misuse I was smoking one pound of pot per month, and thought I was addicted to it; after trying N.A. and 12 step programs that didn't work for me, I started to research the plant itself. To my surprise, it does not contain the chemical properties to be addictive; therefore the problem lies within the user. Simply put I learned I have an addictive personality, problem solved. My being a non-conformist allowed me to immediately get "my problem" under control; as I would not be a slave to any drug or dealer.

(Any rehab facility in the country will concur no one needs to detoxify from Cannabis alone; although there is a craving from misuse, it will normally dissipate within a day or two.)

But that information also compelled me to realize there must be hundreds of thousands, if not millions with the same problem; although not as severe as my misuse but a problem none the less. After some more research and a phone call to Professor Cynthia Kuhn co-author of Buzzed; my journey started and eventually Marijuanot was conceived:

Truck Driver Delivers a Mind Altering Concept: Drug-Free MarijuaNot™

It cost me a small fortune and I never earned 5 cents from this concept, I made alliances with scientists and lawyers from around the globe. The

response from misusers was overwhelming, and I still garner much respect from users and now law enforcement as well; but I'm still a well kept secret by the media and proponents of Cannabis as well. While they all pat me on the back and say they acknowledge my responsible use mission; none espouse it. Bottom line is they don't want responsible use cutting into their bottom line, which frankly is ridiculous; so if you folks really want to address this issue as mediators of the truth, respectfully I'm your guy. I was recruited by C.M.M.N.J. to appear on a Hispanic program that was nationally televised; the debate was so hot with live call-ins they were able to tape three segments back to back. I successfully debated a NYC drug abuse counselor on the myth of Cannabis being a gateway drug; the links are in the media section of my (ugly) web site which is linked below.

To whom it may concern:

As a former teen misuser of Cannabis, now 61 years old and respecting it as a medicine. I don't understand all the dialog concerning the negative Times ad aimed at teens; teens should not be using Cannabis or any drugs including alcohol. Parents are responsible for their children and their actions until they reach 18 years old; all they have to do is get educated and become responsible adults. If they choose to use Cannabis as adults that is their business; the tides have changed and there is sufficient information to validate the true efficacy of Cannabis as medicine, nothing will change that now. For those too young to know the real reasons why Cannabis became illegal I offer a narrative on my blog; that also contains the sources for all information in the appendix:

<http://internationalcannabiscommunity.com/the%20blog%20of%20louis%20santiago.html> The bottom line is children should do everything in their power to become as educated as possible utilizing the natural resources of their brains without any impairment whatsoever, If teens feel compelled to "find themselves"; do it on your own time and expense. any questions? Feel free to contact me directly for a breakdown on this topic.

Sincerely & respectfully to all,

Louis Santiago

Executive Director

CannaSense Total Wellness:

"Cultivating responsible Cannabis use in medicine".

<http://www.cannasense.org>

Louistotalwellness1@gmail.com

[REDACTED]

Freehold, N.J. 07728

[REDACTED]

PS, If you choose this missive for publication, please do not post my home address. But feel free to post my web site and e-address, if the Times is interested in doing an interview based on my chronic misuse of Cannabis; and how it impacted on my life feel free to communicate. As I expect to publish a book on subject matter later this year, at the pinnacle of said misuse I was smoking one pound a month by myself and devolved to become a smuggler eventually being implicated in conspiracies to distribute nearly 400,000 pound of pot nearly 33 years ago; very compelling story that can be validated.

Satenik Margaryan, Ph.D.

June 19, 2017

Re: Senate Bill 319

Chairman and Members of the Senate Judiciary Committee,

My name is Satenik Margaryan. I have a Ph.D. in Criminal Justice from Rutgers, The State University of New Jersey. I have had over a decade of academic teaching and research experience in the field of criminal justice.

I am submitting this testimony today to express our concern with Senate Bill 3195. While we commend Senator Scutari's leadership on the issue of marijuana legalization, we are disappointed to see certain elements missing from the bill that are essential to establishing a fair and equitable marijuana market and repairing the harms that have disparately impacted communities of color in New Jersey.

Marijuana laws in New Jersey have a disproportionate impact on communities of color. African Americans are three times more likely to be arrested for marijuana possession than whites even though both use marijuana at the same rates. Anecdotal evidence suggests similar disparities for Latinos. In addition to the severe long-term consequences of a marijuana conviction, marijuana laws have been used to support biased policies like stop and frisk, racial profiling and the deportation of people of color.

As New Jersey considers legalizing, taxing and regulating marijuana, fairness and equity demand a system that includes policies that provide a level playing field and address past harms, including:

- Protections for those who apply for a license or employment in the industry who have prior arrests and/or convictions;
- Access to the industry for individuals from different socioeconomic backgrounds;
- Requirement that the state shall actively seek to achieve a diverse industry;
- Provisions intended to repair communities most harmed by marijuana prohibition; and
- Civil penalties for marijuana activities that occur outside the new legal system to avoid the continuation of a criminal system that disproportionately harms communities of color.

These components are critical to making any marijuana legalization law fair and equitable.

The criminalization of marijuana has been a tragic failure. New Jersey arrests more than 22,000 people a year for marijuana possession at a cost of more than \$125 million to New Jersey taxpayers. This absurd and wasteful policy criminalizes otherwise law-abiding

RM

people and wastes resources that would be better spent on projects that support our families and communities.

A conviction for marijuana possession can have severe long-term consequences. The resulting criminal record subjects a person to a system of legal discrimination that can last a lifetime and can make it difficult or impossible to secure employment, housing, student loans, or even a driver's license. Even without a conviction, the consequences of an arrest can include untold stigma and humiliation, the financial burden of a criminal court proceeding and lost hours at work or school.

I am urging you to support marijuana legalization legislation that creates a fair and equitable marijuana market and repairs the harms that have disproportionately impacted communities of color. Thank you for your consideration.

Best Regards,

Satenik Margaryan, Ph.D.



Rev. Robin Tanner, Minister of Worship & Outreach
Rev. Emilie Boggis, Minister for Congregational Life
Tuli Patel, Executive Director
Laura Beth Brown, Director of Family Ministries
Mitchell Vines, Music Director

June 19, 2017

Chairman and Members of the Senate Judiciary Committee,

Re: Senate Bill 3195

My name is Reverend Robin Tanner. I serve as the Minister of Worship and Outreach of Beacon Unitarian Universalist Congregation located in Summit, New Jersey. As a community, we are committed to building a world where the worth and dignity of each person is promoted and affirmed through our justice system. Primary among our social justice commitments is racial justice, including equitable laws that minimize disproportionate negative impact on communities of color.

As a minister at Beacon, I am submitting this testimony today to express concern with Senate Bill 3195. While I commend Senator Scutari's leadership on the issue of marijuana legalization, I am disappointed to see certain elements missing from the bill that are essential to establishing a fair and equitable marijuana market and repairing the harms that have disparately impacted communities of color in New Jersey.

This we know: marijuana laws in New Jersey have a disproportionate impact on communities of color. African Americans are three times more likely to be arrested for marijuana possession than whites even though both use marijuana at the same rates. Anecdotal evidence suggests similar disparities for Latinos. In addition to the severe long-term consequences of a marijuana conviction, marijuana laws have been used to support biased policies like stop and frisk, racial profiling and the deportation of people of color.

The criminalization of marijuana has been a tragic failure. New Jersey arrests more than 22,000 people a year for marijuana possession at a cost of more than \$125 million to New Jersey taxpayers. This policy criminalizes otherwise law-abiding people and wastes resources that would be better spent on projects that support our families and communities.

Furthermore, we know this is not only a political and economic disaster. The criminalization of marijuana is a moral issue as communities of color are torn apart by the unjust and harsh enforcement of laws that do not serve to make our communities safer or to protect those who call New Jersey home. I write to you with the urgency of an ethical imperative to dismantle laws that continue to inscribe a new jim crow era. Whilst predominantly white communities, like the one in which I serve, receive resources for treatment and intervention, we continue to enforce laws that criminalize marijuana use in communities of color at disproportionate rates. We are called- regardless of our particular religious identities- to uphold a moral standard set forth in our federal and state constitution. You are granted the privilege of being able to establish justice this day.

I urge you to support marijuana legalization legislation that creates a fair and equitable marijuana market and repairs the harms that have disproportionately impacted communities of color. Thank you for your consideration. May we each listen this day for the voice of conscience with our eyes set upon the greater beacon of justice, which we as Americans, share.

In faith,

Reverend Robin Tanner

Beacon

Unitarian Universalist Congregation in Summit~ 4 Waldron Avenue ~ Summit, NJ 07901 ~ (908) 273-3245
www.summitbeacon.org

8/10

June 19, 2017

Chairman and Members of the Senate Judiciary Committee,

Re: Senate Bill 3195

My name is Christina Carrell, and I am a sufferer of a debilitating condition called thoracic outlet syndrome (TOS). Like many chronic pain conditions, few treatments exist for TOS, and many people succumb to a life of pain after exhausting every approach to managing it. The medical marijuana system in New Jersey is inaccessible to most pain patients due to its exorbitant cost and the limited number of conditions that qualify one to receive it. I am grateful to Senator Scutari for crafting a bill that will not only legalize marijuana for everyone, but also offer pain patients an option free of the cumbersome process of applying for a medical card. However, I also feel the bill does not go far enough to protect citizens of every race and socioeconomic background.

As co-chair of Action Together Burlington County, I am submitting this testimony today to express our concern with Senate Bill 3195. Painful conditions do not discriminate based on skin color, income, or criminal background. Unfortunately, this bill does. While we commend Senator Scutari's leadership, we also request policies that will be fair and equitable for all citizens.

A nationwide 2017 study conducted by the University of California¹ concluded that marijuana legalization was associated with a significant reduction in the number of opioid pain reliever hospitalizations. Although most people are now familiar with the opioid epidemic, the media attention it receives usually focuses on white communities. Yet heroin-related deaths continue to rise in all racial and ethnic groups.² Like pain, addiction does not discriminate, and so we must not discriminate when enacting drug policy. Imagine the lives we could save if the marijuana industry were accessible to people of all backgrounds. Imagine the impact we could have if the more than \$125 million a year New Jersey residents pay toward marijuana possessions were invested in underserved communities.

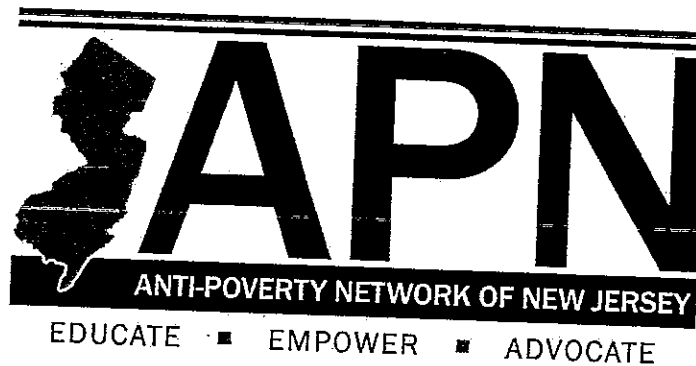
Under our privatized healthcare system, employment and health insurance go hand-in-hand. When people can work in an emerging industry, they are more likely to obtain health insurance and to seek out proper medical care. Thus, ensuring that people of all socioeconomic backgrounds have access to the marijuana industry is a matter of public health. Marijuana legislation must include a provision that ensures equal industry access.

Action Together Burlington County urges you to support marijuana legalization legislation that creates a fair and equitable marijuana market. Marijuana prohibition has disproportionately harmed minorities and those of lower income. The laws we enact now must seek to repair and provide for those communities. Thank you for your consideration, and from the chronic pain community, thank you for working to remove the stigma of accessing marijuana. As a person who has the means to access the care I need, I ask that the same privilege be extended to my

¹ [http://www.drugandalcoholdependence.com/article/S0376-8716\(17\)30076-5/abstract](http://www.drugandalcoholdependence.com/article/S0376-8716(17)30076-5/abstract)

² https://www.washingtonpost.com/national/health-science/the-drug-crisis-is-now-pushing-up-death-rates-for-almost-all-groups-of-americans/2017/06/09/971d8424-4aa1-11e7-a186-60c031eab644_story.html

neighbors of color and of lower income, through laws that create jobs for everyone and invest in our most vulnerable communities.



Senate Judiciary Committee
June 19, 2017
Testimony of
Renee Koubiadis, Executive Director
Anti-Poverty Network of New Jersey

Good morning Chairman Scutari, Vice-chair Gill, and members of the committee. My name is Renee Koubiadis and I am the Executive Director of the Anti-Poverty Network of New Jersey, a broad-based coalition of organizations and individuals committed to the prevention, reduction and the eventual end of poverty in New Jersey. Thank you for the opportunity today to express our concern with Senate Bill 3195.

While we commend Chairman Scutari's leadership on legalization of marijuana, we are concerned that the current bill does not go far enough in undoing the racial inequalities in our criminal justice system and establishing a fair and equitable market for marijuana sales.

Marijuana laws in New Jersey have a disproportionate impact on communities of color. African Americans are three times more likely to be arrested for marijuana possession than whites even though both use marijuana at the same rates. Anecdotal evidence suggests similar disparities for Latinos. In addition to the severe long-term consequences of a marijuana conviction, marijuana laws have been used to support biased policies like stop and frisk, racial profiling and the deportation of people of color.

As New Jersey considers legalizing, taxing and regulating marijuana, fairness and equity demand a system that includes policies that provide a level playing field and address past harms, including:

- Protections for those who apply for a license or employment in the industry who have prior arrests and/or convictions;

- Access to the industry for individuals from different socioeconomic backgrounds;
- Requirement that the state shall actively seek to achieve a diverse industry;
- Provisions intended to repair communities most harmed by marijuana prohibition; and
- Civil penalties for marijuana activities that occur outside the new legal system to avoid the continuation of a criminal system that disproportionately harms communities of color.

These components are critical to making any marijuana legalization law fair and equitable.

The criminalization of marijuana has been a tragic failure. New Jersey arrests more than 22,000 people a year for marijuana possession at a cost of more than \$125 million to New Jersey taxpayers. This wasteful policy criminalizes otherwise law-abiding people and wastes resources that would be better spent on projects that support our families and communities.

A conviction for marijuana possession can have severe long-term consequences. The resulting criminal record subjects a person to a system of legal discrimination that can last a lifetime and can make it difficult or impossible to secure employment, housing, student loans, or even a driver's license. Even without a conviction, the consequences of an arrest can include untold stigma and humiliation, the financial burden of a criminal court proceeding, alienation of family and community supports, and lost hours at work or school.

APN urges you to support marijuana legalization legislation that creates a fair and equitable marijuana market and repairs the harms that have disproportionately impacted communities of color. Thank you for your consideration.

Submitted by:

Renee Koubiadis, Executive Director, Anti-Poverty Network of New Jersey
856-266-6249 or renee@antipovertynetwork.org

Women Who Never Give-Up

Family Service Advocates
770 Marne Hwy suite 2-D
Moorestown New Jersey 08057
Tel: 609-346-2521
Email: Gale@wwng.org



June 19, 2017

Chairman and Members of the Senate Judiciary Committee,

Re: Senate Bill 3195

My name is Gale Muhammad and I am the Founder and President of Women Who Never Give Up (“WWNG”). WWNG is a New Jersey based non-profit organization that helps incarcerated persons and their families achieve justice.

I am here today to express my concern with Senate Bill 3195. While we commend Senator Scutari’s leadership on the issue of marijuana legalization, we are disappointed to see certain elements missing from the bill that are essential to establishing a fair and equitable marijuana market and repairing the harms that have disparately impacted communities of color in New Jersey.

Marijuana laws in New Jersey have a disproportionate impact on communities of color. African Americans are three times more likely to be arrested for marijuana possession than whites even though both use marijuana at the same rates. Anecdotal evidence suggests similar disparities for Latinos. In addition to the severe long-term consequences of a marijuana conviction, marijuana laws have been used to support biased policies like stop and frisk, racial profiling and the deportation of people of color.

I have seen firsthand the impact of marijuana enforcement in my community. Young people of color are frequently harrassed and arrested for small amounts of marijuana. These arrests unfairly target communities of color and have life-long consequences for those who are arrested. Legalization in New Jersey must include policies that address the impact marijuana criminalization has had on communities like mine.

As New Jersey considers legalizing, taxing and regulating marijuana, fairness and equity demand a system that includes policies that provide a level playing field and address past harms, including:

- Protections for those who apply for a license or employment in the industry who have prior arrests and/or convictions;
- Access to the industry for individuals from different socioeconomic backgrounds;
- Requirement that the state shall actively seek to achieve a diverse industry;
- Provisions intended to repair communities most harmed by marijuana prohibition; and
- Civil penalties for marijuana activities that occur outside the new legal system to avoid the continuation of a criminal system that disproportionately harms communities of color.

These components are critical to making any marijuana legalization law fair and equitable.

The criminalization of marijuana has been a tragic failure. New Jersey arrests more than 22,000 people a year for marijuana possession at a cost of more than \$125 million to New Jersey taxpayers. This absurd and wasteful policy criminalizes otherwise law-abiding people and wastes resources that would be better spent on projects that support our families and communities.

A conviction for marijuana possession can have severe long-term consequences. The resulting criminal record subjects a person to a system of legal discrimination that can last a lifetime and can make it difficult or impossible to secure employment, housing, student loans, or even a driver's license. Even without a conviction, the consequences of an arrest can include untold stigma and humiliation, the financial burden of a criminal court proceeding and lost hours at work or school.

WWNG joins with people of faith and other members of the New Jersey civil rights community to urge you to support marijuana legalization legislation that creates a fair and equitable marijuana market and repairs the harms that have disproportionately impacted communities of color. Thank you for your consideration.

Yours in Humanity,

/s/ Gale Muhammad,

WWNG, Inc., President and Founder



Helping Parents Help Their Children

June 19, 2017

Chairman and Members of the Senate Judiciary Committee,

Re: Senate Bill 3195

My name is Kathy Wright and I am the Executive Director of the New Jersey Parents' Caucus (NJPC), the mother of a son who was arrested for marijuana, and a woman of color. I know all too well the impact of a marijuana conviction and its effect on a young person's life. A marijuana arrest and/or conviction saddles a young person with a criminal record for the rest of their lives. This can impact employment, housing, student loans, and even a driver's license.

NJPC is a family-driven nonprofit advocacy organization in New Jersey that works to ensure that every family who has children with special emotional and behavioral needs is given an opportunity to play a strong and active role in the conceptualization, development and delivery of effective and timely services in the mental health, juvenile justice, child welfare and special education systems.

NJPC supports fair and equitable marijuana legalization in New Jersey. While we commend Senator Scutari for his leadership on marijuana legalization, we submit this testimony today to express our concern with Senate Bill 3195. We are disappointed to see certain elements missing from the bill that are essential to establishing a fair and equitable marijuana market and repairing the harms that have disparately impacted communities of color in New Jersey.

Marijuana laws in New Jersey have a disproportionate impact on communities of color. African Americans are three times more likely to be arrested for marijuana possession than whites even though both use marijuana at the same rates. Anecdotal evidence suggests similar disparities for Latinos. In addition to the severe long-term consequences of a marijuana conviction, marijuana laws have been used to support biased policies like stop and frisk, racial profiling and the deportation of people of color.

Marijuana legalization must include policies that provide a level playing field and address past harms, including:

- Protections for those who apply for a license or employment in the industry who have prior arrests and/or convictions;
- Access to the industry for individuals from different socioeconomic backgrounds;
- Requirement that the state shall actively seek to achieve a diverse industry;
- Provisions intended to repair communities most harmed by marijuana prohibition; and
- Civil penalties for marijuana activities that occur outside the new legal system to avoid the continuation of a criminal system that disproportionately harms communities of color.

275 Rt. 10 E. Ste.220-414 ▪ Succasunna, NJ 07876 ▪ Phone: 973-989-8870
Trinitas Hospital, ▪ 655 East Jersey Street, 1st Floor ▪ Elizabeth, NJ 07206 ▪ Phone: 908-994-7471
info@njparentcaucus.org www.newjerseyparentscaucus.org

Of particular importance to NJPC is the removal of all criminal penalties for young people who possess and use marijuana unlawfully in a legalized market. Although Senator Scutari's bill downgrades marijuana possession for minors to a disorderly persons offense, it establishes a \$500 fine and maintains the criminal nature of the offense. Such criminal penalties will only further exacerbate the already existing racial disparities in the juvenile and criminal justice systems in New Jersey.

NJPC urges you to support marijuana legalization legislation that creates a fair and equitable marijuana market and repairs the harms that have disproportionately impacted communities of color. Thank you for your consideration.

Sincerely,

Kathy Wright

Executive Director

New Jersey Parents' Caucus



**American Friends
Service Committee**

Newark Area Office

89 Market Street, 6th Floor · Newark, NJ 07102 · 973/643-1924 · fax 973/643-8924 · www.afsc.org

June 19, 2017

Chairman and Members of the Senate Judiciary Committee,

Re: Senate Bill 3195

The American Friends Service Committee is a Quaker-based organization that works to build peace both locally and globally, defend the rights of immigrants and people in New Jersey prisons, promote just economies, and end all forms of discrimination. Our Newark Office is home to the Prison Watch Project, which monitors human rights abuses in U.S. federal and state prisons, and the Immigrant Rights Program, which works to achieve policies that respect the rights and dignity of all immigrants, including a fair and humane national immigration policy.

The Prison Watch Program and the Immigrant Rights Program are submitting this testimony because we have concerns with Senate Bill 3195. While we commend Senator Scutari's leadership on the issue of marijuana legalization, we are disappointed to see certain elements missing from the bill that are essential to establishing a fair and equitable marijuana industry and repairing the harms that have disparately impacted communities of color in New Jersey.

Marijuana laws in New Jersey have a disproportionate impact on communities of color and the poor. African Americans are three times more likely to be arrested for marijuana possession than whites even though both use marijuana at the same rates. Anecdotal evidence suggests similar disparities for Latinos. In addition to the severe long-term consequences of a marijuana conviction, marijuana laws have been used to support biased policies like stop and frisk, racial profiling, imprisonment and the deportation of people of color.

As New Jersey considers legalizing, taxing and regulating marijuana, fairness and equity demand a system that includes policies that provide a level playing field and address past harms, including:

- Protections for those who apply for a license or employment in the industry who have prior arrests and/or convictions;
- Access to the industry for individuals from different socioeconomic backgrounds;
- Requirement that the state shall actively seek to achieve a diverse industry;
- Provisions intended to repair communities most harmed by marijuana prohibition; and
- Civil penalties for marijuana activities that occur outside the new legal system to avoid the continuation of a criminal system that disproportionately harms communities of color.

These components are critical to making any marijuana legalization law fair and equitable.

We are especially concerned with Senate Bill 3195's lack of protections for immigrants. Marijuana arrests and convictions often trigger deportation proceedings that tear apart families and communities in New Jersey. Marijuana legalization should address these issues by completely decriminalizing unlawful marijuana activities, especially for young people. Moreover, any legislation to legalize marijuana in our state should include robust automatic and retroactive expungement provisions, to protect individuals from deportation and to provide access to programs for noncitizens that are only accessible to those without a past marijuana conviction.

The criminalization of marijuana has been a tragic failure. New Jersey arrests more than 22,000 people a year for marijuana possession at a cost of more than \$125 million to New Jersey taxpayers. This absurd and wasteful policy criminalizes otherwise law-abiding people and wastes resources that would be better spent on projects that support our families and communities.

A conviction for marijuana possession can have severe long-term consequences. The resulting criminal record subjects a person to a system of legal discrimination that can last a lifetime and can make it difficult or impossible to secure employment, housing, student loans, or even a driver's license. Even without a conviction, the consequences of an arrest can include untold stigma and humiliation, the financial burden of a criminal court proceeding and lost hours at work or school.

The Prison Watch Program and Immigrant Rights Program at the American Friends Service Committee urges you to support marijuana legalization legislation that creates a fair and equitable marijuana market and repairs the harms that have disproportionately impacted communities of color. Thank you for your consideration.

Bonnie Kerness, Program Director
Prison Watch Program
American Friends Service Committee

Alexandra Goncalves-Pena, Supervising Attorney
Immigrant Rights Program
American Friends Service Committee



June 19, 2017

Dear Senate Judiciary Committee Members,

RE: S3195

The New Jersey Association on Correction (NJAC), established in 1961, is a private not-for-profit organization whose mission is to enable social justice and human dignity to be manifest in the policies and institutions governing victims of crime and offenders through rehabilitative, educational, and legislative programs. NJAC's program locations range from Camden to Paterson, with numerous sites in between.

I am submitting this testimony today to express NJAC's concern with Senate Bill 3195. While we commend Senator Scutari's leadership on the issue of marijuana legalization, we are disappointed to see certain elements missing from the bill that are essential to establishing a fair and equitable marijuana market and repairing the harms that have disparately impacted communities of color in New Jersey.

Marijuana laws in New Jersey have a disproportionate impact on communities of color. African Americans are three times more likely to be arrested for marijuana possession than whites even though both use marijuana at the same rates. Anecdotal evidence suggests similar disparities for Latinos. In addition to the severe long-term consequences of a marijuana conviction, marijuana laws have been used to support biased policies like stop and frisk, racial profiling and the deportation of people of color.

As New Jersey considers legalizing, taxing and regulating marijuana, fairness and equity demand a system that includes policies that provide a level playing field and address past harms, including:

- Protections for those who apply for a license or employment in the industry who have prior arrests and/or convictions;
- Access to the industry for individuals from different socioeconomic backgrounds;
- Requirement that the state shall actively seek to achieve a diverse industry;
- Provisions intended to repair communities most harmed by marijuana prohibition; and
- Civil penalties for marijuana activities that occur outside the new legal system to avoid

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JAMES SMITH

9/10/17

the continuation of a criminal system that disproportionately harms communities of color.

These components are critical to making any marijuana legalization law fair and equitable.

The criminalization of marijuana has been a tragic failure. New Jersey arrests more than 22,000 people a year for marijuana possession at a cost of more than \$125 million to New Jersey taxpayers. This absurd and wasteful policy criminalizes otherwise law-abiding people and wastes resources that would be better spent on projects that support our families and communities.

A conviction for marijuana possession can have severe long-term consequences. The resulting criminal record subjects a person to a system of legal discrimination that can last a lifetime and can make it difficult or impossible to secure employment, housing, student loans, or even a driver's license. Even without a conviction, the consequences of an arrest can include untold stigma and humiliation, the financial burden of a criminal court proceeding and lost hours at work or school.

NJAC urges you to support marijuana legalization legislation that creates a fair and equitable marijuana market and repairs the harms that have disproportionately impacted communities of color.

Thank you for considering my comments.

Sincerely,

Angel M. Perez
Executive Director

A handwritten signature in black ink, appearing to read 'AMP', with a long, sweeping flourish extending to the right.



Daniel L. Lombardo
President/CEO

Judy Donlen, RN, DNSc, JD
Board Chairperson

**Testimony of Daniel L Lombardo
President & CEO
Volunteers of America Delaware Valley
June 19, 2017**

Chairman and Members of the Senate Judiciary Committee,

My name is Daniel Lombardo and I am President and CEO of Volunteers of America Delaware Valley. Since 1896 and each day since then, our staff and volunteers have worked directly with the community and with county, municipal, and state governments to develop services and programs that provide immediate and long-term benefit to those most in need. We currently operate 50 separate programs serving individuals living with chronic mental illness and intellectual disabilities, experiencing homelessness, seeking permanent housing, returning to our communities from the criminal justice system and struggling with addictive behavior.

I am submitting this testimony today to express our concern with Senate Bill 3195. While we commend Senator Scutari's leadership on the issue of marijuana legalization, we are disappointed to see certain elements missing from the bill that are essential to establishing a fair and equitable marijuana market and repairing the harms that have disparately impacted communities of color in New Jersey.

Marijuana laws in New Jersey have a disproportionate impact on communities of color. African Americans are three times more likely to be arrested for marijuana possession than whites even though both use marijuana at the same rates. Anecdotal evidence suggests similar disparities for Latinos. In addition to the severe long-term consequences of a marijuana conviction, marijuana laws have been used to support biased policies like stop and frisk, racial profiling and the deportation of people of color.

As New Jersey considers legalizing, taxing and regulating marijuana, fairness and equity demand a system that includes policies that provide a level playing field and address past harms, including:

- Protections for those who apply for a license or employment in the industry who have prior arrests and/or convictions;
- Access to the industry for individuals from different socioeconomic backgrounds;
- Requirement that the state shall actively seek to achieve a diverse industry;
- Provisions intended to repair communities most harmed by marijuana prohibition; and
- Civil penalties for marijuana activities that occur outside the new legal system to avoid the continuation of a criminal system that disproportionately harms communities of color.

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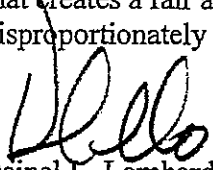
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These components are critical to making any marijuana legalization law fair and equitable.

The criminalization of marijuana has been a tragic failure. New Jersey arrests more than 22,000 people a year for marijuana possession at a cost of more than \$125 million to New Jersey taxpayers. This absurd and wasteful policy criminalizes otherwise law-abiding people and wastes resources that would be better spent on projects that support our families and communities.

A conviction for marijuana possession can have severe long-term consequences. The resulting criminal record subjects a person to a system of legal discrimination that can last a lifetime and can make it difficult or impossible to secure employment, housing, student loans, or even a driver's license. Even without a conviction, the consequences of an arrest can include untold stigma and humiliation, the financial burden of a criminal court proceeding and lost hours at work or school.

Volunteers of America Delaware Valley urges you to support marijuana legalization legislation that creates a fair and equitable marijuana market and repairs the harms that have disproportionately impacted communities of color. Thank you for your consideration.



Dainel L. Lombardo
President/CEO

Rabbi Marc Aaron Kline, J.D.
Monmouth Reform Temple

323 Hance Avenue, Tinton Falls, NJ 07701
732-747-9365 • RabbiMarc@MonmouthReformTemple.org

June 19, 2017

Chairman and Members of the Senate Judiciary Committee,

Re: Senate Bill 3195

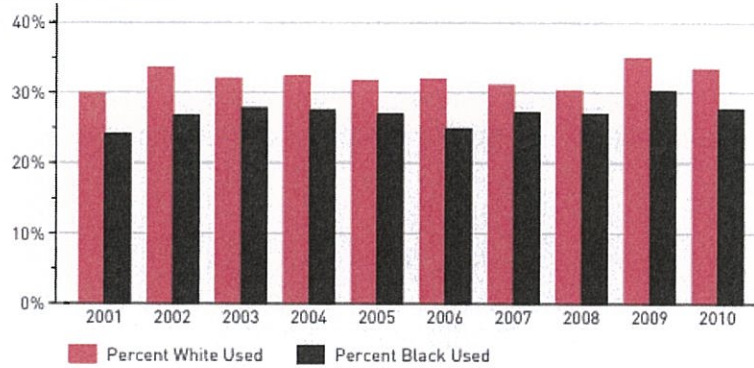
I am Rabbi Marc Kline. I serve as Rabbi of a Reform Jewish Congregation in Tinton Falls, on the Human Relations Advisory Committee for the township of Red Bank, founding steering committee member of the New Jersey Interfaith Alliance, and as a statewide advocate for justice and equality. Prior to moving to the area 3 years ago, I chaired the Human Rights Commission for the Lexington-Fayette County Urban Government in Lexington, KY. I also co-led the march on the state capitol in Columbia, South Carolina in 2000 to remove the Confederate Flag from the statehouse dome. Prior to entering the Rabbinate, I practiced civil rights law in Little Rock, Arkansas. I share this resume to help you understand the depth of my passion for social justice and for combating racism and all bigotry in the communities in which I live.

I am here today to express concerns I have with Senate Bill 3195. I greatly appreciate Senator Scutari's leadership on the issue of marijuana legalization, but find myself troubled by certain elements missing from the bill that will ensure due process for everyone in this state.

Marijuana laws in this country currently create a disproportionate impact on communities of color. African Americans are three times more likely to be arrested for marijuana possession than whites even though both use marijuana at the same rates. Anecdotal evidence suggests similar disparities for Latinos. In addition to the severe long-term consequences of a marijuana conviction, marijuana laws have been used to support biased policies like stop and frisk, racial profiling, and the deportation of people of color. Attached are two charts from the Washington Post demonstrating the racial equality in Marijuana use and racial disparity in marijuana arrests. While the data is from 2010, reports demonstrate that not only has the gap not narrowed, it has increased.

FIGURE 22

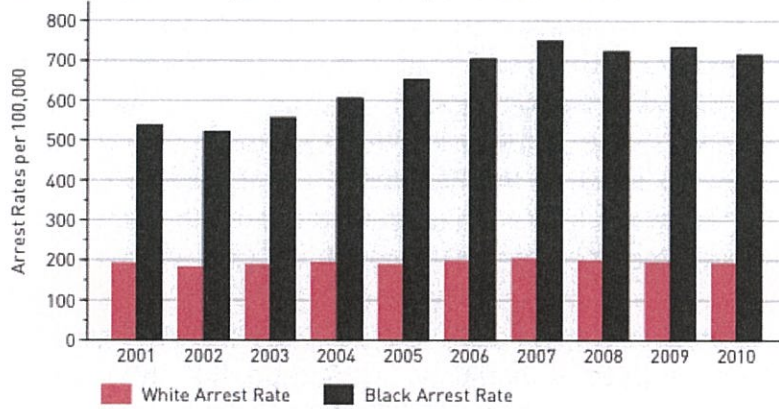
Marijuana Use Among 18- to 25-Year-Olds by Race: Used Marijuana in Past 12 Months (2001-2010)



Source: National Household Survey on Drug Abuse and Health, 2001-2010

FIGURE 10

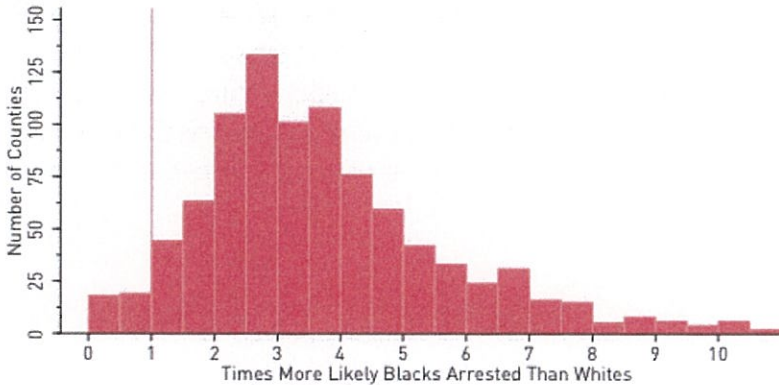
Arrest Rates for Marijuana Possession by Race (2001-2010)



Source: FBI/Uniform Crime Reporting Program Data and U.S. Census Data

FIGURE 12

Distribution of Racial Disparity in Marijuana Possession Arrests (2010)



NOTE: Population Size > 30,000 and Black Population Percentage Share > 2%
Source: FBI/Uniform Crime Reporting Program Data and U.S. Census Data

Published in 2013 in the *Justice Quarterly*, Ojmarrh Mitchell and Michael S. Caudy wrote "Examining Racial Disparities in Drug Arrests." They taught, "Americans of all racial backgrounds have been affected by the current War on Drugs; yet, minorities, particularly African-Americans, have borne the brunt of the war (Tonry, 1995, 2011). In 1980, prior to the latest War on Drugs, the drug arrest rate for African-Americans was 554 per 100,000 and the rate for whites was 190 per 100,000—a ratio of roughly 3 to 1. Less than 10 years later, at the height of the drug war, these rates had climbed to 2,009 and 363 per 100,000 for blacks and whites, respectively (Human Rights Watch, 2009)—a ratio of 5.5 to 1. Since 1990, on average, this ratio has been approximately 4.5 to 1. Data on Hispanic drug arrests are harder to come by because the FBI's Uniform Crime Report does not record Hispanic ethnic status, but available data suggest that Hispanics are also arrested at rates considerably higher than whites. For example, in 2000, Hispanics in the state of Minnesota had a drug arrest rate of 1,720 vs. 404 for whites per 100,000 (Racial Disparity Initiative, 2002). Similarly, in 2009, Hispanics in Arizona had a drug arrest rate of 622.5 vs. 501.7 for non-Hispanics per 100,000 (Males and Macallair, 2010). And, in California, Hispanics had 54% higher felony drug arrest rates and 22% higher misdemeanor drug arrest rates than whites in 1999 (Criminal Justice Statistics Center, 2000). These statistics illustrate both the tremendous growth in drug arrests and the War on Drugs' worsening effect on racial disparities in drug arrest rates."

As New Jersey considers legalizing, taxing, and regulating marijuana, fairness and equity demand a system that includes policies that provide a level playing field and address past harms, including:

- Protections for those who apply for a license or employment in the industry who have prior arrests and/or convictions;
- Access to the industry for individuals from different socioeconomic backgrounds;
- Requirement that the state shall actively seek to achieve a diverse industry;
- Provisions intended to repair communities most harmed by marijuana prohibition; and
- Civil penalties for marijuana activities that occur outside the new legal system to avoid the continuation of a criminal system that disproportionately harms communities of color.

These components are critical to making any marijuana legalization law fair and equitable.

The criminalization of marijuana has been a tragic failure. New Jersey arrests more than 22,000 people a year for marijuana possession at a cost of more than \$125 million to New Jersey taxpayers. This absurd and wasteful policy criminalizes otherwise law-abiding people and wastes resources that would be better spent on projects that support our families and communities.

A conviction for marijuana possession can have severe long-term consequences. The resulting criminal record subjects a person to a system of legal discrimination that can last a lifetime and

can make it difficult or impossible to secure employment, housing, student loans, or even a driver's license. Even without a conviction, the consequences of an arrest can include untold stigma and humiliation, the financial burden of a criminal court proceeding, and lost hours at work or school.

Any legislation enacted by our governments must inure to the benefit of all Americans, not just some. Legislation legalizing marijuana must root in equity. We must enact a law that establishes a fair and equitable marijuana market that is regulated in a way to repair the disparately impactful harm suffered by communities of color in New Jersey.

I urge you to support marijuana legalization legislation that creates a fair and equitable marijuana market and repairs the harms that have disproportionately impacted communities of color. Thank you for your consideration.

Respectfully submitted,

Rabbi Marc Kline

Rabbi Marc Aaron Kline, J.D.

Senate Judiciary Committee

Dear Honorable Senators,

I would like to start off by saying how grateful I am for the representatives that would like to end the war on marijuana (cannabis), which essentially a war on people. Going on 50 years with arrests numbers reaching their highest in the last 2 years, I like many others, would say is a failed war. The word war is used because war destroys lives as does this prohibition.

I was first arrested for marijuana (cannabis) possession when I was nineteen years old. It was my senior year i high school and on my way to class I was cited and searched for smelling like marijuana (cannabis) and subsequently arrested for misdemeanor possession of a personal amount I had in my purse. I was expelled from school, but referred to an alternative school where I graduated through essay writing and work credits. Without access to financial aid, further education was pretty much off the table for me.

While working in the workforce, I met my husband and we started a family. He was a self starter that grew up on a farm in Michigan and got into the technicalcomputer world as it was forming. We were hard working parents with decent jobs who enjoyed using marijuana (cannabis) as a relaxing, therapuetic herb, despite having gotten into legal trouble over it. We also believed in the principles of life, liberty, and the pursuit of happiness that we were taught in school.

As a young family in NJ, we really couldn't afford to buy cannabis, so we decided to take a chance growing our own. Although we were not legal medical marijuana patients, (this was 2005) we often used our home grown cannabis for stress relief, pain, menstrual and stomach issues. It was in a sense a self-sustainability. It was a beautiful experiment raising our own healing garden, until one day when the NJ Marijuana Eradication Unit followed my husband home from a garden store, staked us out, and eventually raided us by coming to the door saying they smell marijuana and making a deal to not take away me or our children if my husband consent to search. It was very stressful hour standoff unti he finally consented. We had just come home from work. I was making dinner and my daughter was at the table doing her third grade homework when police came in to basically take our cannabis and our Dad. Although police raided us in a calm manner by making small talk about how impressed they were with our plants and compared it to their fishing hobby, it still caused our family, our daughter PTSD and depression.

Our case took a couple years to proceed, hanging on a state supreme court decision (State vs. Domicz) for allowing police warrantless PSE&G bill searches and once the decision was made in favor of police, my husband went from being a free man to being sentenced to five years in prison. This was devastating to our family as we were not sure if I could manage to keep our home by myself. With family help I was just able to make it to his ISP release. The program is a financial investment itself with travel to required daily meetings and community service. Also to be accepted in the program one has to have obtained steady employment. With this felony it was very hard to be hired for jobs in his IT field. He was able to get a labor job in lawn care. then there are the little things, like my husband's cellmate being a convicted murderer or that I had to quit being my daughter's girl scout troop leader after many great years due to struggling to keep a home for my family.

The hypocrisy when it comes to marijuana, society, and the law is no more clearer than when we look at how our culture celebrates alcohol. Usually a long work week by having drinks after work, yet criminalizes the same people if they were to have marijuana (cannabis). While cannabis has been cited to not having killed anyone and being used medicinally, even a preventative medicine, alcohol can be deadly yet our laws say that adult use is lawful, just "drink responsibly".

Some studies have shown marijuana to be much safer than alcohol, yet our state has it scheduled as one of the most dangerous substances, despite having a medical use law in the state. I personally believe cannabis (marijuana) prohibition is about market control and limiting freedom of choice. I find that quite disturbing considering how dangerous alcohol can be.

Many say, "Well you broke the law and you must pay." I would like to ask these people if they think taking away a providing parent from their family for growing a medicinal plant seems just? I would like to ask them, is subjecting children to visit parents in harsh prisons for growing a medicinal plant is just? Destabilising their home? Even regarding prison alternative drug "rehabilitation"; is coercing someone into rehabilitation that they may not actually need fair and just and not only to that particular person but to people who actually need treatment?

In our legal system, if a drug is illicit its use is almost always professionally considered abusive and that the person is an addict. To be considered an addict because one chooses marijuana (cannabis) over say alcohol, caffeine, or tobacco, is unjust. Real studies on this have been skewed by prohibition itself.

Now, many others are saying that this prohibition law is wrong and asking, who is the real victim here? There are now eight states that are saying it is lawful. I think as the Garden State we should offer this choice, this benefit, to the people of New Jersey. It is long overdue.

In saying all of this, I believe S3195 should allow for home cultivation, to make this legalization truly fair and equitable to many who have been adversely affected by prohibition laws. I believe without any provisions for home cultivation, that it could mean disaster for patients and those that can not afford cannabis, over-taxed or otherwise.

In Washington State, where marijuana (cannabis) was legalized without provisions for home cultivation for all adults and they relied on industrial grown only, there were shortages and lessened quality of medical cannabis. This can mean the difference between life or death for many. Compared to Colorado, Washington State's not as smooth or successful legalization was attributed to the state setting up a 'recreational' system separate of their medical system and having The State Liquor Control Board (WSLCB) regulate their cannabis market. In an attempt to control the compassionate medical gray market, WSLCB forced medical dispensaries and collectives into the retail market and through severely limiting licensing, caused many longtime veteran compassionate cultivators and caregivers out of business and forced many patients to be treated like 'recreational' customers.

Our legalization should serve to alleviate issues for those most affected by prohibition and patients and prospective patients waiting to get on the strict and limited medical program. Pricing is prohibitive. After affording proper registration for the program, many patients find it hard to afford their cannabis. Even if they can afford the medicine, patients are sometimes dissatisfied with the quality and production. Some patients may need a specific strain of medical marijuana that the retail/medical market may not find profitable and discontinue leaving patients to go without the best medicine for them, so they would need the allowance to cultivate their own medicine if they so choose. People should be allowed to cultivate their own cannabis not only to control how and with what it's grown, but for the therapeutic quality of gardening as well.

It is not true legalization if it's just an allowance to buy, possess or use. The whole plant in all it's form should be legal, including the cultivation of one's own cannabis and production of one's own cannabis products.

I also ask:

- That marijuana (cannabis) legalization be a fair, equitable open market. Meaning that we prioritize licenses for the cannabis industry (retail/transport/cultivation/social establishments) in NJ, to be awarded to those most affected by harsh prohibition laws first, i.e. communities of color, those convicted of marijuana misdemeanors and felonies, those who've suffered financial, educational, rights or opportunity (drivers license, insurance, etc.) loss due to marijuana (cannabis) convictions. Require the newly created cannabis industry be local cannabis consumer, dispensary, and community lead, rather than by large scale, out-of-state and/or politically connected producers. Also like other places are starting to do, have relaxed criminal

background checks and zero-interest small business loans as a reparations plan. • That the law allow for public consumption, including public cannabis use areas, cannabis social clubs, and spiritual use establishments • That the law provide employee protections, protections for parents, protections for people on probation or parole • That the law allows for blanket expungement of cannabis offenders cannabis offenses • That tax revenue goes towards reinvestment and community investment programs. • To allow for medical and retail cannabis delivery service • Immediate decriminalization to serve as protection of would be legal cannabis consumers • Make marijuana (cannabis) affordable with reasonable pricing and tax scale • Pardon cultivators or cannabis felons like Jon Peditto

Thank you very much for your time and consideration.

Respectfully,

Jo Anne Zito

[REDACTED]

[REDACTED]

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To: Members of the Senate Judiciary Committee
From: Marilou Halvorsen, President
Date: June 17, 2017
Re: S-3195

Chairman and members of the committee, thank you for allowing me to testify. While we currently do not have an official position on this legislation, I would like to share with you some of our concerns especially after speaking with my counterparts in Colorado and other states where recreational use is legal, I

First is liability. Marijuana, especially when consumed in "edible" form, may not take effect for up to 4 hours. Bartenders and servers will have difficulty determining whether someone is under the influence, especially without full knowledge of what the patron has previously consumed. The combined effects of minimal alcohol and marijuana can be powerful. 1 + 1 doesn't equal 2, it equals 4 or 5. Due to dram shop laws, the licensed premise, as well as its servers, are liable for any action by the patron, making establishments liable for the patron's actions. The full effect of marijuana may not be apparent to the bartender considering when serving.

We are also concerned with allowing "dual consumption" and public consumption. Licensed holders, as well as any private business should have the authority to limit the outside use of any non-medically prescribed controlled substance inside or anywhere on their establishment. A liquor license holder can prohibit bringing outside alcohol into their establishment. Smoking and vaping are prohibited under the "Indoor Clean Air Act". It is also illegal to consume alcohol publicly. You can't walk around with an open container. It should apply with marijuana.

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In your legislation, you call for the formation of a "marijuana advisory board" comprised of appointments by the Speaker, Senate President and Governor. I encourage this to be expanded beyond these appointments by experts in the industry as well in other interested individuals.

The fines and penalties should be like the ABC. Whatever the penalty is for serving a minor, should be the same. This is a controlled substance and should be treated like on. Therefor the regulatory and compliance should be the same.

The comparison of using marijuana to consuming alcohol is often used when advocating for the legalization of recreational use; therefore, the compliance, laws, and penalties should be the same.

Thank you for your time.

Northwestern Now (//)

Casual Marijuana Use Linked to Brain Abnormalities

First study to show effects of small time use; more “joints” equal more damage

April 16, 2014 | By [Marla Paul \(//for-journalists/staff-page/show/marla-paul\)](#)

CHICAGO — Young adults who used marijuana only recreationally showed significant abnormalities in two key brain regions that are important in emotion and motivation, scientists report. The study was a collaboration between Northwestern Medicine® and Massachusetts General Hospital/Harvard Medical School.

This is the first study to show casual use of marijuana is related to major brain changes. It showed the degree of brain abnormalities in these regions is directly related to the number of joints a person smoked per week. The more joints a person smoked, the more abnormal the shape, volume and density of the brain regions.

“This study raises a strong challenge to the idea that casual marijuana use isn’t associated with bad consequences,” said corresponding and co-senior study author Hans Breiter, M.D. He is a professor of psychiatry and behavioral sciences at Northwestern University Feinberg School of Medicine and a psychiatrist at Northwestern Memorial Hospital.

“Some of these people only used marijuana to get high once or twice a week,” Breiter said. “People think a little recreational use shouldn’t cause a problem, if someone is doing OK with work or school. Our data directly says this is not the case.”

The study was published April 16 in the Journal of Neuroscience.

Scientists examined the nucleus accumbens and the amygdala — key regions for emotion and motivation, and associated with addiction — in the brains of casual marijuana users and non-users. Researchers analyzed three measures: volume, shape and density of grey matter (i.e., where most cells are located in brain tissue) to obtain a comprehensive view of how each region was affected.

Both these regions in recreational pot users were abnormally altered for at least two of these structural measures. The degree of those alterations was directly related to how much marijuana the subjects used.

Of particular note, the nucleus accumbens was abnormally large, and its alteration in size, shape and density was directly related to how many joints an individual smoked.

“One unique strength of this study is that we looked at the nucleus accumbens in three different ways to get a detailed and consistent picture of the problem,” said lead author Jodi Gilman, a researcher in the Massachusetts General Center for Addiction Medicine and an instructor in psychology at Harvard Medical School. “It allows a more nuanced picture of the results.”

Examining the three different measures also was important because no single measure is the gold standard. Some abnormalities may be more detectable using one type of neuroimaging analysis method than another. Breiter said the three measures provide a multidimensional view when integrated together for evaluating the effects of marijuana on the brain.

“These are core, fundamental structures of the brain,” said co-senior study author Anne Blood, director of the Mood and Motor Control Laboratory at Massachusetts General and assistant professor of psychiatry at Harvard Medical School. “They form the basis for how you assess positive and negative features about things in the environment and make decisions about them.”

Through different methods of neuroimaging, scientists examined the brains of young adults, ages 18 to 25, from Boston-area colleges; 20 who smoked marijuana and 20 who didn't. Each group had nine males and 11 females. The users underwent a psychiatric interview to confirm they were not dependent on marijuana. They did not meet criteria for abuse of any other illegal drugs during their lifetime.

The changes in brain structures indicate the marijuana users' brains are adapting to low-level exposure to marijuana, the scientists said.

The study results fit with animal studies that show when rats are given tetrahydrocannabinol (THC) their brains rewire and form many new connections. THC is the mind-altering ingredient found in marijuana.

“It may be that we're seeing a type of drug learning in the brain,” Gilman said. “We think when people are in the process of becoming addicted, their brains form these new connections.”

In animals, these new connections indicate the brain is adapting to the unnatural level of reward and stimulation from marijuana. These connections make other natural rewards less satisfying.

“Drugs of abuse can cause more dopamine release than natural rewards like food, sex and social interaction,” Gilman said. “In those you also get a burst of dopamine but not as much as in many drugs of abuse. That is why drugs take on so much salience, and everything else loses its importance.”

The brain changes suggest that structural changes to the brain are an important early result of casual drug use, Breiter said. “Further work, including longitudinal studies, is needed to determine if these findings can be linked to animal studies showing marijuana can be a gateway drug for stronger substances,” he noted.

Because the study was retrospective, researchers did not know the THC content of the marijuana, which can range from 5 to 9 percent or even higher in the currently available drug. The THC content is much higher today than the marijuana during the 1960s and 1970s, which was often about 1 to 3 percent, Gilman said.

Marijuana is the most commonly used illicit drug in the U.S. with an estimated 15.2 million users, the study reports, based on the National Survey on Drug Use and Health in 2008. The drug's use is increasing among adolescents and young adults, partially due to society's changing beliefs about cannabis use and its legal status.

A recent Northwestern study showed chronic use of marijuana was linked to brain abnormalities. “With the findings of these two papers,” Breiter said, “I've developed a severe worry about whether we should be allowing anybody under age 30 to use pot unless they have a terminal illness and need it for pain.”

The research was supported by grants 14118, 026002, 35 026104, 027804 and 034093 from the National Institute on Drug Abuse, and grant 052368 from the National Institute of Neurological Disorders and Stroke, all of the National Institutes of Health. The Office of National Drug Control Policy and Northwestern Medicine's Warren Wright Adolescent Center also supported the research.

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[Back to top \(//stories/2014/04/casual-marijuana-use-linked-to-brain-abnormalities-in-students#top\)](#)

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6/19/2017

vole no on s3195

vote no on s3195

jeanpublic1@gmail.com

Sent: Saturday, June 17, 2017 2:17 PM

To: OLSaldeSJU

vote no on this marijuana bill to allow "small" quantities. the fact is those on that drug will drive and more accidents will be caused. lives will be lost. what is small in marijuana for your body may be large for some other persons body tolerance so that the effects may be quite mind enhancing and mind blowing as far as responsiblity to drive. it will be impossible to keep safe driving when people are on more and more and more drugs that cloud their minds. this is not a good bill for safety or health. vote no.

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NEW JERSEY PRESS ASSOCIATION

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STATEMENT OPPOSING S3195 UNLESS AMENDED (SCUTARI)

The New Jersey Press Association (“NJPA”) is a non-profit organization incorporated in 1857 under the laws of the State of New Jersey. It has a membership of 16 daily newspapers, 3 affiliate newspapers, over 160 weekly newspapers, over 50 digital news websites, as well as over 60 corporate and non-profit associate members. NJPA respectfully submits this position paper opposing S3195 unless amended.

Specifically, S3195 provides in pertinent part:

5. (New section) Prohibition of Persons Under the Legal Age Purchasing Marijuana.

a. No person, either directly or indirectly by an agent or employee, shall sell, offer for sale, distribute for commercial purpose at no cost or minimal cost, give or furnish, to a person under 21 years of age, any marijuana items.

....

8(a)(9)(g) All advertisements must contain warnings, including but not limited to one or more of the following:

(i) “This product contains marijuana;”

(ii) “Marijuana can impair concentration, coordination, and judgment. Do not operate a vehicle or machinery under the influence of this drug;”

(iii) “There may be health risks associated with the consumption of this product;”

(iv) “For use only by adults 21 years of age and older. Keep out of the reach of children.”

(v) “This product was produced without regulatory oversight for health, safety or efficacy.”

(vi) “The intoxicating effects of this product may be delayed by two or more hours.”

(vii) “There may be health risks associated with the consumption of this product, including for women who are pregnant, breastfeeding, or planning on becoming pregnant.”

(viii) No licensed marijuana establishment shall place or maintain, or cause to be placed or maintained an advertisement of marijuana items or marijuana paraphernalia in **any form or through any medium whatsoever** within 200 feet of an elementary or secondary school grounds, recreation center or facility, arcade, child care center, public park, playground, public swimming pool or library; on or in a public transit vehicle or public transit shelter; on or in publicly owned or operated property. For the purposes of this section, a noncommercial message shall not be considered an advertisement. This section shall not apply to advertisements within the premises of a marijuana retailer.

(Emphasis added).

NJPA believes that the news media may be captured, perhaps unintentionally, within the language of the Bill of Section 5(a) if it were merely to publish an advertisement.

The news media receive and publish a vast number of advertisements that cover a wide array of goods and services. It would be not only fundamentally unfair but also virtually impossible for the news media to be charged with the task of scrutinizing and researching every item placed in advertisements to determine specific characteristics of the advertised items, what the advertised items are designed to do and/or how the items will ultimately be used. At the end of the day, that responsibility properly rests with the advertisers.

Thus, in order to clarify the scope of the Bill, NJPA respectfully seeks an amendment to Section 8(a)(9)(g)(viii) that reads as follows:

Nothing in this act shall be construed to impose liability on news media that accept and/or publish advertising that may fall within the scope of the statute.

Finally, Section 8(a)(9)(g)(viii) prohibits the placement or maintenance of an advertisement of marijuana items or marijuana paraphernalia, in any form, or through any medium, whatsoever, within 200 feet of specified locations. Because newspapers may contain such an advertisement and be sold through an outlet, such as a convenience store, located within the proscribed area, NJPA requests that the last sentence of Section 8(a)(9)(g)(viii) be amended to read as follows:

This Section shall not apply to advertisements within the premises of a marijuana retailer or to any advertisement contained within a newspaper.

Thank you for your consideration.

June 16, 2017

New Jersey Press Association

George H. White, Executive Director

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**ADDITIONAL APPENDIX MATERIALS
SUBMITTED TO THE**

SENATE JUDICIARY COMMITTEE

for the
April 28, 2017 Meeting

Submitted by Senator Gerald Cardinale, District 39:

Jodi M. Gilman, John K. Kuster, Sang Lee, Myung Joo Lee, Byoung Woo Kim, Nikos Makris, Andre van der Kouwe, Anne J. Blood, and Hans C. Breiter, "Cannabis Use Is Quantitatively Association with Nucleus Accumbens and Amygdala Abnormalities in Young Adult Recreational Users." *The Journal of Neuroscience*, April 16, 2014. © 2014 the authors.