

# TALKING POINTS: AMMIANO'S TAX & REGULATE BILL

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Tom Ammiano's bill would "tax and regulate marijuana like alcohol", introducing fees and excise taxes, and bar sales to or possession by anyone under 21.

- **WE CAN NO LONGER AFFORD TO IGNORE THE \$14 BILLION MJ CROP.**
  - Marijuana is California's No. 1 cash crop, worth \$14 billion a year<sup>1</sup>
  - Marijuana fees, sales tax and excise tax could raise billions/year in California that could fund a range of state needs, like education, healthcare and drug treatment.
- **REGULATIONS WOULD CUT WASTE.**
  - California spends \$1 billion a year to enforce marijuana laws (police, courts and corrections)<sup>2</sup>;
  - The state's marijuana arrest rate actually increased in 2007 (17.7%), while arrest rates for all other drugs decreased.
- **REGS WOULD HELP SACRAMENTO CATCH UP WITH VOTER OPINIONS**
  - Almost 100 million Americans have tried marijuana;
  - Several local jurisdictions have voted to make marijuana the lowest law-enforcement priority
  - A recent poll found a majority of west-coast survey takers supportive of regulation.
- **AN AGE LIMIT & TAXES WILL BETTER PROTECT YOUNG PEOPLE.**
  - Middle and high school students in California are more likely to smoke marijuana than cigarettes and to report that marijuana is easier to obtain<sup>3</sup>.
  - Most high school seniors (nationally) say marijuana is "easy" to attain<sup>4</sup>.
  - Age restrictions and taxes are effective at limiting young people's access – as with cigarettes.
- **QUESTIONS TO EXPECT**
  - **WHAT ABOUT YOUNG PEOPLE? SEE ABOVE.**
  - **WHAT ABOUT FEDERAL LAW?** California is one of 13 states that regulate the market for marijuana for medicinal purposes and, in California, that system pays taxes to the State Board of Equalization. Moreover, under our Federalist system, states have the right to define their own criminal law independent of federal law.

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<sup>1</sup> Estimate based on 2006 federal government statistics

<sup>2</sup> Harvard University Professor of Economics Jeffrey Miron, *The Budgetary Implications of Drug Prohibition* (2008).

<sup>3</sup> *12th Biennial California Student Survey on Drug, Alcohol and Tobacco Use, 2007-08*, found that marijuana use is more prevalent than cigarette use among California youth in grades 7, 9 and 11; and that marijuana is perceived as being easier to obtain, more widely used among peers, and more widely used on school property than are cigarettes.

<sup>4</sup> *Monitoring the Future* survey (2007): 37.4% of 8th graders, 69% of 10<sup>th</sup> graders, and 84% of all high school seniors reported marijuana as being "very easy" or "fairly easy" to attain.