



CALIFORNIA 2016
BALLOT BACKGROUNDER

Proposition **64**
Legalization of Marijuana

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Purpose

Proposition 64 would legalize marijuana for general use in California and would tax and regulate the marijuana industry.

Background

Under the federal Controlled Substances Act, the possession, use, or sale of marijuana is a federal crime. However, over the past two decades, 25 states have enacted state laws decriminalizing marijuana either for medicinal purposes only, or for general recreational use.¹ At the same time, the current presidential administration generally has chosen not to enforce the federal prohibition on marijuana use.

California was the first state to authorize use of marijuana for medicinal purposes. Twenty years ago, in 1996, voters approved Prop. 215, an initiative that gave individuals legal access to marijuana on the recommendation of a doctor. Later, the state authorized medical marijuana collectives, which grow marijuana and distribute it to their members. For years, the state was lax in regulating medical marijuana, but recently has begun establishing regulations and standards for marijuana products.²

¹ <http://www.governing.com/gov-data/state-marijuana-laws-map-medical-recreational.html>

² <http://voterguide.sos.ca.gov/pdf/complete-vig.pdf>

PROPOSITION 64 – MARIJUANA LEGALIZATION

Four states—Colorado (2012), Washington (2012), Alaska (2014), and Oregon (2014)—have adopted laws authorizing recreational use of marijuana, all through the initiative process.³

Earlier efforts in California to legalize recreational use of marijuana have failed. In 2010, California voters rejected Proposition 19, a legalization initiative, by a seven percent margin—53.5 to 46.5 percent. In 2014, proponents dropped an effort to place a similar measure on the ballot. The effort continues with Prop. 64.

Existing Law

The Obama Administration has not enforced existing federal law banning possession, use, and sale of marijuana as long as such use follows state and local laws. California law allows cultivation, sale, possession, and use of marijuana for medicinal purposes. State and local governments tax medical marijuana, and the state has begun to establish standards and regulations for marijuana products. The state continues to criminalize marijuana for recreational use, but the penalties are low. For example, possession of less than an ounce of marijuana is currently a misdemeanor punishable by a \$100 fine.⁴

Proposed New Law

Among other provisions, Prop. 64 would:

- Legalize marijuana for adult use
- Impose a 15% tax on retail sales of non-medical marijuana and additional taxes for cultivation
- Prohibit marketing marijuana to minors
- Authorize state agencies to regulate the marijuana industry
- Allow local regulation and taxation of marijuana
- Allow resentencing of those convicted for marijuana offenses, and destruction of court records

Fiscal Impact

The Legislative Analyst estimates that Prop. 64 eventually could generate up to \$1 billion in new revenue annually for state and local governments, although it will take time to for the law to be implemented.

³ <http://www.governing.com/gov-data/state-marijuana-laws-map-medical-recreational.html>

⁴ <http://statelaws.findlaw.com/california-law/california-marijuana-laws.html>

PROPOSITION 64 – MARIJUANA LEGALIZATION

The measure also would reduce costs for state and local governments by reducing the number of persons held for marijuana offenses in state prisons and county jails.

Supporters

Supporters include:

- Drug Policy Alliance
- California Democratic Party
- ACLU of California
- California Medical Association
- Lt. Gov. Gavin Newsom

Major funding for Prop. 64 has come from Silicon Valley entrepreneur Sean Parker and foundations that seek national legalization of marijuana.

Arguments of Supporters

Supporters say Prop. 64 would:

- End a criminalization policy that does more harm than good
- Establish comprehensive regulation of marijuana production, sale, and use
- Generate substantial new tax revenues
- Allocate those revenues responsibly

Opponents

Opponents include:

- Sen. Dianne Feinstein
- California Hospital Association
- California Association of Highway Patrolmen
- California Police Chiefs Association
- California Republican Party

Arguments of Opponents

Opponents say Prop. 64 would:

- Increase marijuana use, including among minors
- Lead to more impaired driving and highway fatalities
- Harm underprivileged neighborhoods
- Weaken local control over marijuana cultivation and sale

Conclusion

A Yes vote on Prop. 64 would legalize marijuana for adult use, and establish a system of state regulation and taxation of marijuana.

A No vote on Prop. 64 would retain California's existing state marijuana laws.

For more information on Proposition 64, visit:

www.roseinstitute.org

www.yeson64.org

www.noon64.net