

# NEWPORT BUZZ

## Marijuana Legalization Bill Introduced in Rhode Island

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Sen. Joshua Miller intends to introduce legislation today that draws upon the experiences of states where marijuana has been legalized to create a system to tax and regulate marijuana in Rhode Island.

While Senator Miller has introduced legislation with similar goals since 2014, this year the tax structure established in the bill mirrors that of Massachusetts, where recreational marijuana sales will become legal in July.

“Legal marijuana sales will be available to Rhode Islanders as soon as Massachusetts retailers start offering it in July. But Massachusetts will keep the revenue from their purchases when Rhode Islanders cross the border to get it. At that point, we will have just as many people using it, plus an unregulated, untaxed market in Rhode Island, with none of the money we would get for drug prevention and education programs, for law enforcement or for our general fund. We need this bill to give our state the resources to handle marijuana, rather than letting those resources stay in Massachusetts when our residents buy legal marijuana there and then use it here,” said Senator Miller (D-Dist. 28, Cranston, Providence).

The bill establishes a 10-percent tax on the marijuana on top of the state’s 7 percent sales tax, and up to a 3 percent optional local tax for a total between 17.75 and 20.75 percent tax on purchases, depending on whether the municipality where it is sold has enacted the local tax. In total, the taxes would be equal to the totals in Massachusetts.

The proceeds from the 10-percent marijuana tax would be distributed to the state’s general fund and various health and safety initiatives, with a disbursement formula that is similar to the ones used in Washington and Colorado. First, all funds necessary to provide for the expenses of implementation and enforcement would be paid, and then \$3 million would be distributed annually to the State Police. The remaining funds would be split, with 15 percent going to the State Police for training, testing and enforcing laws against driving under the influence; 15 percent to the Department of Behavioral Health, Developmental Disabilities and Hospitals for evidence-based programs on substance abuse prevention; 15 percent for public education programs to prevent driving under the influence of drugs or alcohol, and the remaining 55 percent to the state’s general fund.

The measure would allow adults 21 and older to possess up to one ounce of marijuana and grow up to two marijuana plants (only one may be mature) in an enclosed, locked space; establish a tightly regulated system of licensed marijuana retail stores, cultivation facilities, and testing facilities; and require the Department of Business Regulation to establish rules regulating security, labeling, health and safety requirements.

Regulation of the substance will allow the state to create barriers to teen access, such as ID checks and serious penalties for selling to those under 21. Taxing marijuana sales could generate tens of millions of dollars in much-needed tax revenue for the state, a portion of which will be directed towards programs that treat and prevent alcohol and other substance abuse.

Eight states — Colorado, Washington, Oregon, Alaska, Massachusetts, Maine, Nevada, and California — have approved laws similar to this bill to regulate and tax marijuana like alcohol. Voters in Washington D.C. have also approved a measure to legalize possession and cultivation of marijuana by adults. Those states have collected hundreds of millions in tax revenue from marijuana sales, and an analysis of public health and safety outcomes in Colorado, Washington, Oregon, and Alaska performed by The Cato Institute in 2016 found no evidence linking marijuana legalization initiatives to any increases in traffic fatalities, crime, drug use, or any other public health and safety problem.