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Maine lawmaker pushes to legalize small amounts of marijuana

By: Michael Shepherd - February 21, 2013

AUGUSTA — Maine would become the third state in the nation to legalize recreational marijuana use if lawmakers and voters approve a bill introduced Thursday by a Portland legislator.

The measure sponsored by Rep. Diane Russell, D-Portland, would allow individuals 21 and older to possess two-and-a-half ounces of marijuana and six plants. It also calls for licensing cultivators, producers of products containing marijuana, retailers and laboratories.

Her bill would also impose an excise tax on growers that she says would generate \$13 million in revenue for the state.

The bill's text has not been released, but Russell said the legalization question would go to statewide referendum if approved by the Legislature.

Similar bills introduced by Russell and others in the past have been unsuccessful. But with medical use of marijuana already legal in Maine and recreational use legalized last year in Colorado and Washington state, Russell thinks there may be increased support for her bill.

"We have proven here in Maine that this can be done for medicinal purposes," she said at a Thursday news conference. "It is now time to institute that same strict, regulatory infrastructure for responsible, adult recreational consumers."

Marijuana – even medical marijuana – is illegal under federal law. Maine is one of 18 states where medical use of marijuana has been legalized under state law.

Russell and other advocates say legalizing recreational use in Maine would bring the marijuana industry aboveboard and produce both tax revenue and business income.

"It doesn't make sense for profits to go underground and out of the hands of legitimate business owners, tax-paying business owners," said David Boyer, Maine political director of the Marijuana Policy Project, a national lobbying group that claims 125,000 members and supporters.

Maine law is already relatively liberal on the use of marijuana. It is one of seven states to both legalize medical use and decriminalize possession of small amounts, according to Boyer's group.

Russell, a liberal Democrat, sponsored a similar bill in 2011 that died after all but 39 lawmakers in the Republican-majority Legislature accepted a committee's ought-not-to-pass recommendation. The 2011 bill would have imposed a 7 percent sales tax on marijuana for both commercial and medical use, which Russell said could have generated \$8 million annually.

The new measure proposes an excise tax of \$50 an ounce on cultivators, which Russell said could generate "a conservative estimate" of \$13 million a year, based on what she said was old revenue estimates. She said she is open to discussing the collection of a sales tax on top of that.

Russell said she wants 75 percent of the tax revenue to go into the state's General Fund, while the rest would go toward substance abuse programs, marijuana research and implementing the act.

Russell said the increased tax revenue and savings on law enforcement from legalizing pot would appeal to both liberals and conservatives.

"We're coming together because on the conservative side, people see it as a waste of government resources. I see it that way, too," she said. "This is where the left and the right meet."

Republican Rep. Aaron Libby of North Waterboro, from the party's libertarian wing, said he'd co-sponsor the bill, as he did with the 2011 measure. Rep. Seth Berry, D-Bowdoinham, now the House majority leader, voted for Russell's 2011 bill, but said Thursday he would not commit to supporting the new one.

Libby said government should not decide whether people can use marijuana.

"You teach moralities; you don't enforce moralities," he said. "Being a limited-government Republican, that means not telling people what to do in their own home."

The American Civil Liberties Union of Maine also supports the bill. At the news conference, Shenna Bellows, ACLU executive director, called it "a vital bill because it would address the overwhelming societal problem of over-incarceration."

Gordon Smith, executive vice president of the Maine Medical Association, said his organization won't take a position on the bill. But he suggested that dedicating a portion of tax revenue to substance abuse acknowledges that marijuana use isn't risk-free.

"When it leads you to other things, people die," he said. "There's a certain percentage of people who shouldn't gamble because they can't stop. There's a certain number of people who shouldn't drink (and) shouldn't smoke marijuana because they're going to be addicted."

Taxing marijuana is a new and uncertain proposition nationally. While some have said it could close state budget gaps, estimates on its actual impact are wide-ranging.

In a 2010 study, the libertarian Cato Institute said Maine could take in \$12.2 million in tax revenue annually if it legalized and taxed marijuana, and save an additional \$14.3 million in enforcement costs. If every state legalized and taxed marijuana, it could generate a total of about

\$8.7 billion in revenues for the states and save them about the same amount in enforcement costs, the institute said.

A Washington state bill would levy an equal tax on medical marijuana dispensaries' sales of marijuana and cannabis-infused products.

That's controversial, as many advocates there believe medicine shouldn't be taxed. Sponsors of the bill say they're trying to avoid maintaining two marijuana markets -- one taxed and one not.

In Colorado, the initiative that legalized marijuana made it subject to a normal sales tax and authorized the Legislature to impose an additional excise tax of up to 15 percent.

This is expected to result in \$50 million in tax revenue annually, with the first \$40 million going to a school construction fund and the rest going to the state's general fund, The Huffington Post has reported.