EAST BAY EXPRESS

Colorado Legalization Report Card: No Impact on Crime or Teen Use; \$84 Million in Taxes

By <u>David Downs</u> October 28, 2014

Jeffrey Miron, a noted Harvard University economist and director of economic studies at the Cato Institute, released a <u>working paper</u> Thursday disproving critics of Colorado legalization. Miron also stated that legalization's proponents over-estimated the tax revenue and economic benefits of legalization.

Before Colorado voted in 2012 to become the first state in history to legalize cannabis, law enforcement officials and politicians promised the worst:

- Colorado Governor John Hickenlooper said the number of children using drugs would increase.
- Former attorney general Edwin Meese and Charles Stimson argued violent crime would surge.
- Kevin Sabet, a former senior White House drug policy adviser, warned of high addiction rates, spikes in traffic accidents, and reductions in IQ.
- Former DEA director John Walters claimed "what we [see] in Colorado has the markings of a drug use epidemic."
- And Jack Healy and Josh Voorhees' said marijuana is the drug most often linked to crime.

They were wrong.

Miron reviewed fifteen years worth of public health and safety data spanning the rise and explosion of medical cannabis in Colorado by 2010, followed by its 2012 legalization. He found that "the most important outcome of marijuana policy is marijuana use."

Among high school students, 'the overall trend is downward and not materially affected by the changes in marijuana policy. ... These results provide little indication that marijuana or other substance use changed in Colorado after commercialization of medical marijuana in 2009."

As for crime, Miron states that "no measure indicates a significant change in crime after medical marijuana commercialization, legalization adoption, or full legalization implementation."

What about traffic accidents? "No measure exhibits a substantial change at the time of marijuana policy changes."

Emergency room admissions? "No change in trend is evident after medical marijuana introduction or commercialization."

The high school drop-out rate? "The rate is little different between the beginning and end of the sample. The four-year graduation rate shows an upward trend that slows slightly between 2012 and 2013."

Reports of weed suspensions did jump amid a change in weed laws, but many school administrators started tracking weed-related suspensions for the first time,

Miron said annual cannabis tax revenues of \$84 million were lower than earlier estimates of \$134 million.

And Colorado hasn't saved any money on courts and prisons, Miron said. "Neither judicial and legal employment nor corrections employment shows any meaningful change after a marijuana policy change."

Legal cannabis has not amounted to an economic game-changer, Miron said.

For "state gross domestic product and personal income; neither indicates any effect of the policy changes."

Bottom line: don't believe the hype for or against legalization, Miron writes.

"The evidence here indicates that strong claims about Colorado's legalization, whether by advocates or opponents, are so far devoid of empirical support."