

Regulatory Framework for Marijuana Legalization; City of Pacific Grove, California



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Topics to be covered

- Background Information
- Project Purpose
- Research Question
- Literature Review
- Methodology
- Results
- Recommendations
- Conclusion



Background Information

- In 1996, California became the first US State to legalize medicinal marijuana.
- Legalization of recreational marijuana took place in 2016, when 57 percent of California residents voted in favor of California Prop 64.
- Colorado and Washington already legalized recreational marijuana in 2012.
- Proposition 64 requires the state to start issuing licenses by January 2018.
- Marijuana remains illegal under federal law.

City of Pacific Grove



- Located along the Pacific Coastline in Monterey County
- Population: 15,500



Prop 64: Pacific Grove

- 69 percent of Pacific Grove residents voted in favor of proposition 64.
- Currently, the sale of both medicinal and recreational marijuana remains illegal in Pacific Grove.
- Success of the marijuana business in Del Rey Oaks as well as changes in nearby cities makes it necessary for Pacific Grove to research the impact of marijuana legalization.
- Proposition 64 provides local governments the authority to prohibit or regulate/license the sale of recreational marijuana.



Project Purpose

- The goal of this study is to understand the main concerns of Pacific Grove residents as well as the impact of marijuana legalization in Colorado and Washington.



Literature Review: Areas of focus

- Public Health
- Crime
- Tax Revenue



Public Health

Three key measures:

- Health effects of marijuana use
- Prevalence of marijuana use
- Traffic Accidents



Health effects of marijuana use:

- Chronic bronchitis
- Neuropsychological decline amongst regular users
- Harmful during pregnancy



Health effects: Youth

- The harmful effects on effective neuropsychological functioning increases.
- Daily users under 17 years of age showed reductions in high-school completion rates, substantially increased odds of later cannabis dependence and use of other illicit drugs.
- Increased accidental ingestion of marijuana edibles.



Prevalence of marijuana use

- Most literature points towards an increase in adult marijuana use in Colorado and Washington after legalization.
- The Cato Institute through its research into marijuana usage rates between 2002-2014 concluded that in both states the key fact is that marijuana use rates were increasing modestly for several years before 2009.



Prevalence of marijuana use

- Although there have been minor deviations in user rates since legalizations, the data does not suggest dramatic shifts as a result of either medical or recreational marijuana legalizations in Colorado and Washington.
- Visits to the emergency department for marijuana usage increased from “739 (2010–2013)” to “956 (2014-June 2015)” per 100,000 ED visits.



Traffic Accidents

- Although there have been studies related to the impact of marijuana legalization on traffic accident rates, their results have differed.
- National studies provide conflicting evidence on whether marijuana use increases the risk of fatalities.



Traffic Accidents

- The Fatality Analysis Reporting System used nationwide confirms “only the presence of a drug in fatality crashes and not the level of impairment”.
- A 2014 report by the National Highway Traffic Safety Administration mentioned how “the drugged driving issue is complex, and drug testing and reporting across states and jurisdictions are not uniform” and “that it was impossible to make inferences about impairment, crash causation, or comparisons to alcohol from this limited data”.



Crime

- Even though marijuana has often been associated with crime by past researchers, there is little evidence to suggest a causal relationship between the two (Rand Corporation).
- So far there seems to be an ongoing debate between supporters and opponents of legalization, who continue to point to various pieces of evidence in order to support their positions.
- More research is needed.



Tax Revenue

- The state of Colorado received more than \$500 million in marijuana taxes since recreational legalization in 2014.
- Local governments in Colorado generate additional revenues in the form of local taxes as well as licensing and application fees in addition to their share of total tax money raised by the state.
- More than 50% of the total marijuana revenue raised by the state of Colorado has gone to schools.



Tax Revenue

- Within the first 9 months of allowing the sale of recreational marijuana in Colorado, an estimated 44% of the tax revenue in metro areas and 90% in mountain ski areas were generated as a result of sales to out of state buyers.
- On a local level, counties and cities within Colorado are using marijuana revenue for various improvement programs.



Tax Revenue

- Washington State collected \$256 million in marijuana-related taxes during 2016.
- In 2015, Washington state began reconciling the recreational and medical marijuana systems to create one market with a single tax schedule.



Research Question

- What are the perceptions of Pacific Grove residents regarding marijuana legalization?



Methodology

- In order to explore the perceptions of local residents, a survey consisting of 14 close-ended questions and one-open ended question was used.
- The survey link was emailed to 1500 readers of the local Pacific Grove's Cedar Street Times newspaper as well as posted on the newspaper's facebook page.



Methodology

- The URL link along with background information related to the survey was printed on the 3rd page of the Cedar Street Times newspaper, with the average circulation being 1500.
- The survey link was also emailed to a contact list of 500 people related to the Jameson's Classic Motorcycle Museum in Pacific Grove.
- As a reminder, the link was reposted on the Cedar Street Facebook page.



Survey Results: Participation

- Out of all respondents 332 , 82 percent (n= 263) maintained a primary residence in Pacific Grove, while 18 percent (n=56) did not.
- It was taken by approximately 1.7 percent (n= 263) of the current population (15,500) of Pacific Grove.



Results: Close-Ended Questions

- Should Pacific Grove have a medical marijuana dispensary?

Strongly agree or agree= 66 percent

Neutral= 9 percent

Strongly disagree or disagree= 25 percent



Results: Close-Ended Questions

- Should Pacific Grove have a recreational marijuana dispensary?

Strongly agree or agree= 50 percent

Neutral= 9 percent

Strongly disagree or disagree= 41 percent



Results: Close-Ended Question

- Is legal home delivery of marijuana acceptable?

Strongly agree or agree= 59 percent

Neutral= 16 percent

Strongly disagree or disagree= 25 percent



Results: Close-Ended Question

- Should a marijuana dispensary be located away from schools?

Strongly agree or agree= 83 percent

Neutral= 16 percent

Strongly disagree or disagree= 1 percent



Results: Close-Ended Question

- Should a marijuana dispensary be located away from the downtown?

Strongly agree or agree= 44 percent

Neutral= 23 percent

Strongly disagree or disagree= 33 percent



Results: Close-Ended Question

- Should youth be restricted from having access to marijuana?

Strongly agree or agree= 70 percent

Neutral= 6 percent

Strongly disagree or disagree= 24 percent



Results: Close-Ended Question

- Should schools run programs to increase awareness about the health effects of marijuana use amongst youth?

Strongly agree or agree= 82 percent

Neutral= 13 percent

Strongly disagree or disagree= 5 percent



Results: Close-Ended Question

- Should the public smoking of marijuana be banned within city limits?

Strongly agree or agree= 64 percent

Neutral= 16 percent

Strongly disagree or disagree= 20 percent



Results: Close-Ended Question

- Will marijuana legalization lead to more accidents in Pacific Grove?

Strongly agree or agree= 29 percent

Neutral= 24 percent

Strongly disagree or disagree= 46 percent



Results: Close-Ended Question

- Will marijuana legalization be good for the local economy?

Strongly agree or agree= 58 percent

Neutral= 18 percent

Strongly disagree or disagree= 24 percent



Results: Close-Ended Question

- How might marijuana legalization impact crime rates in Pacific Grove?

Increase or slightly increase= 31 percent

No change= 51 percent

Decrease or slightly decrease = 17 percent



Results: Close-Ended Question

- Overall, marijuana legalization can be good for the city of Pacific Grove?

Strongly agree or agree= 55 percent

Neutral= 16 percent

Strongly disagree or disagree= 29 percent



Results: Close-Ended Question

Ranking concerns:

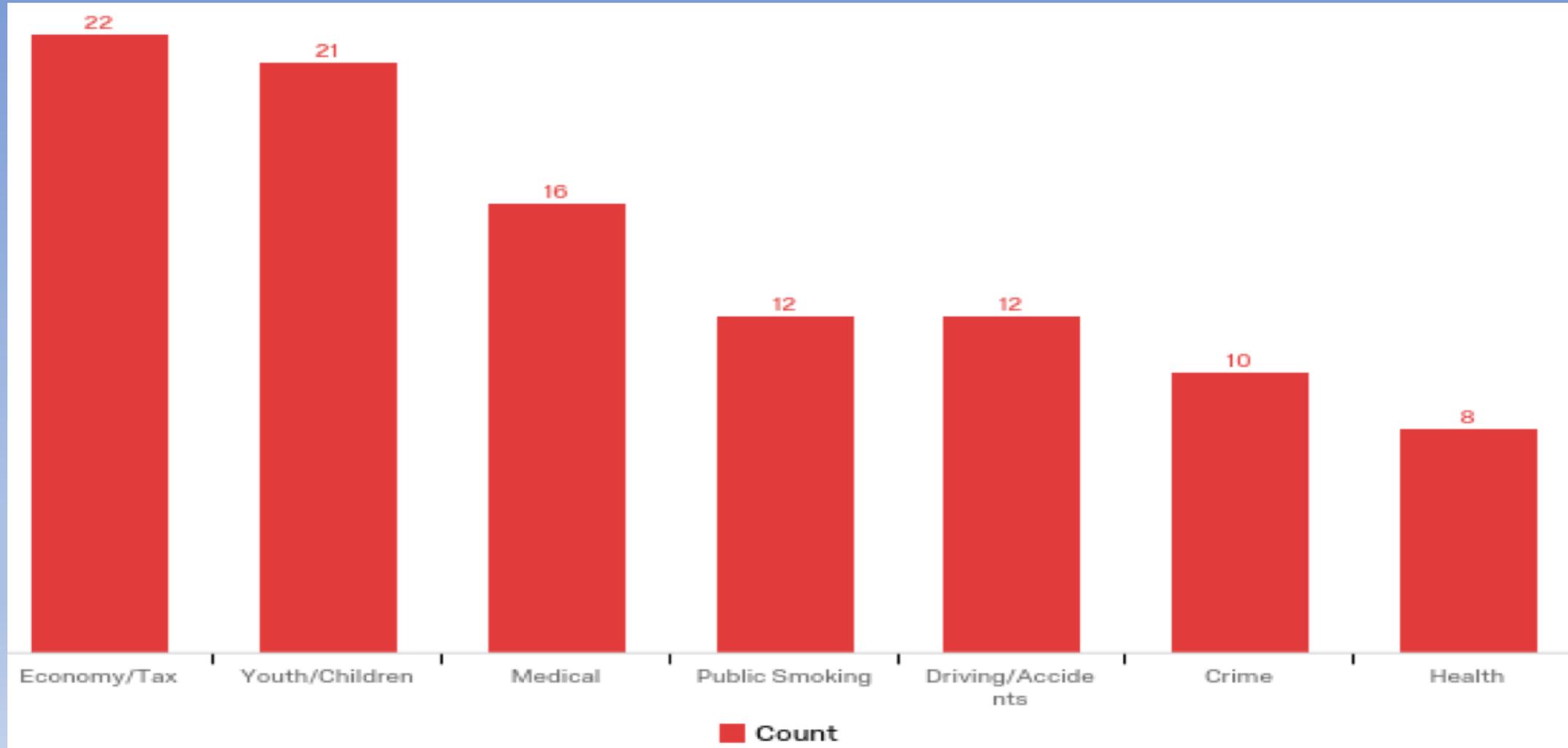
1st. Ensuring that children don't have access to edible forms of marijuana (37 percent).

2nd. Taxing marijuana businesses in order to earn revenue for the city (21 percent).

3rd. Ensuring that youth become aware of the risks associated with the use of marijuana (15 percent).



Close-Ended Question: Major Themes





Inferential Statistics: T-Test

The results of the t-test clearly indicated that when it comes to the belief that marijuana legalization can be good for the city of Pacific Grove, those that maintain a primary residence in Pacific Grove (mean=2.67) have a more favorable view as compared to those that don't (mean=3.31).



Recommendations

1. Restricting Youth Access to Marijuana: Strict regulations preventing the sale of marijuana to minors needs to be enforced, similar to the alcohol model in place.

2. Marijuana Packaging: By enacting regulations regarding marijuana packaging, Pacific Grove may be able to reduce the risks associated with the accidental ingestion of marijuana by children.



Recommendations

3. Marijuana Awareness Programs: It may be beneficial for the city to launch media campaigns to increase awareness regarding the potential harmful effects of marijuana use on youth health.

4. Dispensary Locations: Enacting regulations regarding the proximity of dispensaries to schools as well as other youth serving locations.

5. Preventing Marijuana Induced Driving: Laws should be strictly enforced, including using high penalties for those found driving over legal marijuana limits.



Recommendations

6. Single System of Regulations: Have a single set of regulations for the production and sale of both recreational and medical marijuana.

7. Track Data: The city needs to keep track of data regarding marijuana-related arrests, crimes as well as emergency room visits. Following up on reports from official sources in Colorado and Washington may be useful.



Conclusion: Limitations

- A limitation of this project was the short time frame available for data collection.
- The study was also limited by the use of only a web-based link to collect information.
- Having more than one researcher available for data collection may result in a larger number of responses.



Summary: Key Points

- Results from the survey indicated a strong support in favor of allowing a medical marijuana dispensary.
- More respondents were in favor of allowing a recreational marijuana dispensary as compared to those that were against it.
- The major concerns amongst residents were related to the prevention of youth from having access to marijuana, establishing regulations regarding marijuana taxes and ensuring that youth become aware of the risks associated with the use of marijuana.

Questions?



- **Thanks for listening to the presentation.**





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