

Cannabis laws

California inhales

LOS ANGELES

The state's new cannabis regulations are almost comically progressive

ON A hazy January morning, scores of cannabis enthusiasts queued outside MedMen's elegant West Hollywood store to celebrate the first day they could legally purchase the drug without a medical licence. As they took their place behind a man covered in piercings and dragon tattoos, two women in Spandex leggings and designer sunglasses chatted about what they would buy. When, an hour later, they were invited in, they picked up a shopping basket and sought out a "budtender" to help them choose between marijuana flowers, THC-infused citrus soda, and cannabis chocolate. "My dad has really bad back pain," one explained, as the pair stood in front of shelves displaying cannabis bath bombs, marijuana lotions and hemp-oil dog treats. "But he's an old conservative white male. What can I buy him that won't freak him out?"

California pioneered the legalisation of marijuana for medical use in 1996. But until this year the state's cannabis industry has been largely unregulated. In November 2016, following residents of other states such as Colorado, Washington and Oregon, Californian voters resoundingly approved Proposition 64, a measure to allow the sale of recreational marijuana. After a year of planning, on January 1st it became legal for licensed dispensaries to sell marijuana for recreational use.

Besides California, seven other states and the District of Columbia have legalised recreational marijuana. But California is different in two ways. First is its size. With legalisation, California—the world's sixth-largest economy—instantly became its largest legal market for recreational marijuana. A study by the University of California Agricultural Issues Centre at the University of California, Davis predicts that sales from recreational cannabis will eventually reach \$5bn a year. The state already sells marijuana worth more than \$2bn a year for medical purposes. For comparison, Colorado sold \$1.3bn in total, for recreational and medical use, in 2016. Since the federal prohibition means business cannot be conducted across state lines, Californian companies will be able to reach a scale that businesses in other states lack.

Second, perhaps unsurprisingly for a state seen as a Petri dish for socially liberal policy, California's new regulations are notably progressive. For a start, they allow residents convicted of drug offences that would not be crimes under the new order

to have their records expunged. Between November 2016, when Proposition 64 was passed, and September 2017, 4,885 Californians petitioned to reduce or void their convictions. Donnie Anderson, chairman of the California Minority Alliance, which champions people who have been harmed by drug criminalisation, applauds this initiative. "In the past, if you were white and caught with marijuana you would be let off. If you were black or Latino, you were not," he says. A study by the American Civil Liberties Union, an advocacy group, found that between 2001 and 2010 African-Americans were more than three times as likely to be arrested for marijuana possession as white Americans, despite similar consumption rates.

California's law also allows those convicted of past marijuana crimes to enter the cannabis industry. Jolene Forman of the Drug Policy Alliance, a pressure group, says this is ideal for two reasons. First, it allows people who have been operating black-market cannabis businesses to become legal. Second, it gives people harmed by the war on drugs the chance to profit in the legal cannabis industry.

With the revenue raised from recreational marijuana sales, California hopes to reduce some of the harms of criminalisation. After deductions for cannabis research and community programmes in the areas most affected by past marijuana policies, among other things, three-fifths of tax revenues from the purchase of recreational marijuana will go towards anti-addiction programmes and education about drug

abuse. A fifth will go towards cleaning up environmental damage caused by illegal cannabis-growing. For comparison, the largest share of tax revenues in Oregon, another deeply progressive state, goes to a general education fund.

Some cities in the Golden State are taking things even further. In Los Angeles, residents with past marijuana convictions will not only be allowed to buy licences to sell the drug, but will be given priority. Under the city's "social-equity programme", low-income Angelenos who have previous marijuana convictions or who have lived in areas with disproportionately high rates of arrest for marijuana offences will be given preference when licences to open marijuana retail businesses are granted. Oakland, San Francisco and Sacramento have introduced similar initiatives.

California has been widely criticised for its sloppy management of the medical marijuana industry. That raises questions about whether it can do better with the recreational stuff. John Hudak of the Centre for Effective Public Management at Brookings, a think-tank, is cautiously confident. "California was the first state to legalise medical marijuana—it didn't have the benefit of experience of what works and what doesn't," he says. "Now it does."

Legalisation seems unlikely to create a new group of heavy potheads, as seems to have happened in other states where pot has been legalised (nationally, about 80% of the stuff is consumed by just 20% of users). Obtaining a medical licence to use marijuana in California has long been as easy as applying online and paying around \$40. Getting the stuff illegally has not been hard, either. When a preppy man in loafers waiting to enter MedMen was asked if he had previously used a medical licence to buy marijuana, he said no. When asked if he used the drug regularly he nodded. Most Californians who want to consume heavily already do so. But now the state can tax them for it. □



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