



NEW YORK STATE SENATOR

Liz Krueger

## Senator Liz Krueger Holds First NYC Forum on Marijuana Regulation & Taxation Act

LIZ KRUEGER December 18, 2014

| ISSUE: **CONTROLLED SUBSTANCES**

On Wednesday, December 17th, New York State Senator Liz Krueger held a public forum in New York on their Marijuana Regulation and Taxation Act (MRTA; [S. 6005](#) / [A. 8341](#)) and the need for marijuana law reform in New York State. The forum was held in the Senate Hearing Room at 250 Broadway in lower Manhattan, mere steps from New York City Hall and NYPD's headquarters at 1 Police Plaza. The hearing featured testimony from advocates, policy experts, and government officials representing community, law enforcement, health, economic and budgetary perspectives.

Links to audio and written testimony from the hearing are below.

Starting shortly after 11:00 A.M. and lasting through much of the afternoon, the public forum was the first opportunity for public comment on the legislation in New York City and only the second such forum on the bill anywhere in the state. Experts, advocates, and members of the public offered testimony on the real characteristics of cannabis as a substance, the effects of marijuana-related incarceration on communities in New York State, and the fiscal and economic benefits of regulation and taxation both for the state and local governments. Among those offering testimony and comment were:

- Jumaane Williams, New York City Councilmember, District 45
- Steve Levin, New York City Councilmember, District 33
- gabriel sayegh, Drug Policy Alliance
- Doug Turetzky, Chief of Staff / Communications Director, New York CityIndependent Budget Office
- Robert Cordero, President and Chief Program Officer and John Hellman, Director of Advocacy and Communications, BOOM!Health
- Bob Gangi, Director, Police Reform Organizing Project
- Carl Hart, Associate Professor of Psychology, Columbia University
- Evan Nison and Adam Scavone, Co-Founders and Directors, New York Cannabis Alliance
- Seema Sadanandan, Program Director, American Civil Liberties Union
- Alberto Willmore - Former NYC Public School Teacher

One year ago, Sen. Krueger and Assemblymember Crystal Peoples-Stokes introduced the MRTA to lay the first stone in New York's path beyond its current costly, discriminatory, and ultimately failed policy of prohibition and incarceration. If passed, this legislation would make New York the most populous state in the country to regulate and tax marijuana for general use.

The legislation would legalize, regulate, and tax marijuana under state law along lines similar to the state's current system regulating alcohol, and it would place marijuana regulation under the purview of the existing State Liquor Authority.

### **Wasted Resources, Discriminatory Effects**

In New York, more than 97 percent of marijuana arrests are just for possession, and in 2010, there were more than 100,000 of these arrests in New York State. The Bronx has the fourth highest per-capita arrest rate for marijuana possession of any county-level jurisdiction in the country.

The enforcement of the present law has disproportionately affected African-American and Latino communities. Government health surveys find that young whites use marijuana at higher rates than young blacks and Latinos, but the NYPD has arrested blacks for marijuana possession at seven times the rate of whites and Latinos at nearly four times the rate of whites.

“On their face, the racial disparities in these statistics represent a grave injustice, while the sheer volume of arrests shows just how gross a waste of city and state resources our current policy has become. We’ve been spending taxpayer money to ruin lives, disproportionately for those from communities of color, with no real public policy goal to be found in any of it,” said **Sen. Krueger**. “While Mayor de Blasio should be commended for taking proactive executive action this fall to partially address this injustice, it’s time for the legislature to remove possession of marijuana for personal use from the criminal law, and modernize our laws as so many other states are doing.”

### **The Thriving and Violent Illegal Drug Market**

While Sen. Krueger and Assemblymember Peoples-Stokes reject arguments that marijuana prohibition is desirable, they also point to the practical reality that law enforcement agencies operating under the current law have not been able to make a significant dent in the sale of marijuana in the United States. Meanwhile, the domestic and international criminal organizations that thrive on the illegal drug trade have only become

more frightening. Legalization and regulation, they argue, should therefore be seen as a practical alternative whose time has come, even from the perspective of those who would otherwise prefer marijuana remain illegal.

According to 2012 census data, New York State's population is about 19.6 million, with about 15.3 million aged 18 or older. The federal Substance Abuse and Mental Health Administration (SAMHSA) estimates 12.2 percent of the state population, or approximately 1.9 million New Yorkers, have used marijuana in the past year. If based on then-New York City Comptroller John Liu's 2013 estimate of per capita adult consumption and data on current marijuana prices, the New York State marijuana market could represent as much as a \$3 billion industry.

### **The Marijuana Regulation and Taxation Act**

The MRTA would regulate marijuana in a manner similar to New York's current treatment of alcohol, and would empower the State Liquor Authority to act as the primary regulatory agency. In brief, the bill:

- Removes penalties for possession of 2 ounces of marijuana or less;
- Makes 18 the minimum legal age for marijuana possession and consumption;
- Establishes that smoking marijuana in public and possession of marijuana by persons under the age of 18 are violations;
- Allows for home cultivation of up to six marijuana plants;
- Empowers the State Liquor Authority to grant licenses for marijuana production, transport and retail sale;
- Prohibits sale of marijuana to persons under 21;

- Allows communities to opt out of retail sale for off-premises consumption through a referendum process similar to what is now in place for alcohol sales;
- Allows communities to opt in to allow retail sales for on-premises consumption through a vote of the local legislature, in addition to the local community board in the case of New York City;
- Establishes an tax structure for marijuana, and authorizes localities to charge a sales tax on retail sales; and
- Directs a portion of the state tax revenue collected to be directed to re-entry programs, substance abuse programs, and job training programs in low-income, high-unemployment communities.

### **Initiatives in Other States**

Washington State's Initiative 502 went into effect on Dec. 6, 2012, and retail stores opened earlier in 2014. Washington's producers, processors and retailers, are licensed and regulated by the Washington Liquor Control Board. Colorado's Regulate Marijuana Like Alcohol Act of 2012 (Amendment 64) went into effect on Dec. 10, 2012, and licensees have begun operating, with state revenue significantly exceeding projections. In November, Oregon, Alaska and Washington D.C. passed their own initiatives allowing for regulated legal sales of marijuana.

*Sen. Krueger is a veteran member of the New York State Senate's Democratic Conference, serving as ranking member on the Senate Finance Committee. First elected in 2002, Sen. Krueger represents Manhattan's Upper East Side and East Midtown communities. Before her election to the Senate, Sen. Krueger served as Associate Director of the Community Food Resource Center and was the founding Director of the Food Bank for New York City. She is a nationally respected expert on the problems of hunger and homelessness.*

See below for audio and written testimony:

[Public Forum Audio, Part 1](#)

[Public Forum Audio, Part 2](#)

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#### RELATED LEGISLATION

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## 2015-S1787

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- Introduced
- - In Committee Assembly
  - In Committee Senate
- - On Floor Calendar Assembly
  - On Floor Calendar Senate
- - Passed Assembly
  - Passed Senate
- Delivered to Governor
- Signed By Governor
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[Relates to admission to a special high school in the city school district in a city having a population of one million or more](#)

January 14, 2015

In Senate Committee **Education**

Sponsored by **Adriano Espaillat**

Do you support this bill?