



New Mexico Cannabis Legalization: 2019 Volume 2

Impact and Consequences



**SOUTHWEST BORDER HIDTA – NM REGION
INVESTIGATIVE SUPPORT CENTER**

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Executive Summary

As New Mexico considers the legalization of recreational marijuana many questions have been asked, mostly about how to spend all the money generated through taxation. Other questions loom regarding the real cost of legalization.

Marijuana is legal in some form in 33 states and in Washington, D.C., but it is still a prohibited drug under federal law with a high potential for abuse. Furthermore, the Food and Drug Administration (FDA) recognizes no medical characteristics in marijuana.

Identifying impairment, youth use, treatment, and other issues deserve consideration prior to moving forward. These issues and their associated costs may lead to long-term consequences with lasting damages. A key question is: Will the benefits of recreational marijuana legalization outweigh the potentially significant cost to the public?

The New Mexico marijuana working group appointed by Governor Michelle Lujan-Grisham recently proposed that the state should license companies to grow and sell recreational marijuana and regulate those stores. This would allow the cities to be responsible for decisions regarding zoning and the number of stores allowed in a given area, which mirrors the New Mexico medical marijuana program currently in place. In Colorado, 64 percent of local jurisdictions have banned medical and recreational marijuana businesses.

Medical Marijuana Growth in New Mexico **New Mexico Department of Health (NMDOH)**

January 2017 – 32,175 patients registered in the medical cannabis program.

November 2019 – 78,810 patients registered, an increase of almost 145 percent.

July 2017 – 6,182 active personal production licenses in New Mexico.

November 2019 – 7,825 active personal production licenses.



Identifying Impairment

The method for identifying when someone is impaired by alcohol is well established and far less complex than identifying when someone is impaired by marijuana. In New Mexico the data on marijuana-involved crash rates, particularly those involving fatalities, is not collected at the same rate or with the same level of confidence as the data regarding alcohol-involved crashes. Many DWI drivers test positive for both marijuana and alcohol. High risk demographics in New Mexico have shown higher consumption of marijuana and more frequent driving while impaired. Furthermore, there is no agreed-upon impairment minimum for marijuana, which would indicate that an individual is indisputably impaired. There is currently no breathalyzer-equivalent for marijuana impairment. What we do know is that in 2018, drugs were a factor in 431 vehicle crashes, including 110 fatal crashes in New Mexico. Many of these are attributed to marijuana use.

Youth Use

The U.S. Surgeon General recently warned that chronic teen marijuana use negatively affects IQ and school performance, and is linked to psychotic disorders including schizophrenia. Nationally, about 38 percent of high school students report having used marijuana in their life. Past month marijuana use among youth aged 12-17 from 2014-2017 in New Mexico ranked higher than the national average. From 2014 to 2017, past year marijuana use among young adults aged 18 to 25 in New Mexico was similar to the national average. Approximately one in 10 people who use marijuana will become addicted and if use begins before age 18, the rate of addiction rises to one in six.

Despite all of the risks associated with marijuana use, many states continue to push for full legalization of both recreational marijuana in addition to medical marijuana. The Cabinet Secretary of the New Mexico Department of Health recently put out a public health order regarding “Warning Labels” for Cannabis-Derived Vaping Products Containing Tetrahydrocannabinol (THC). The NMDOH is investigating 20 vaping-associated hospitalization cases. More than three-quarters of the patients in those cases reported using THC (i.e. the high-inducing part of marijuana), while only three reported nicotine use only. All of the cases under investigation have included hospitalization with severe breathing problems after vaping to include coughing, shortness of breath, and fatigue. In the THC cases users have reported vaping or dabbing (i.e. vaping marijuana oils, extracts, or concentrates) in the weeks and months prior to hospital admission. The users range in age from 13 to 46 years of age.

In 2018, a total of 135 toxic exposures to marijuana were reported to the New Mexico Poison Center. Twenty-eight of these incidents involved teenagers ranging in age



from 13 to 19 years old. There were 18 incidents that involved children from less than 12 years old, including some involving children less than one year of age. In 2019, there have already been 131 toxic marijuana exposures in similar age groups.

Treatment

Marijuana treatment data from New Mexico for the years 2014 through 2017 demonstrates a definitive downward trend in the number of admissions. New Mexico has an average of 195 treatment admissions annually for marijuana use based on the four-year trend of data from 2014 through 2017. This downward trend is indicative of fewer people seeking treatment for marijuana use even though the state has seen a substantial increase in the number of medical marijuana card holders, likely the result of marijuana normalization and its acceptance in society.

Other Issues

The cannabis industry operates primarily as a cash-only business as a result of financial institutions being concerned about dealing with businesses that are in violation of federal law. While it's possible for banks to accept cannabis cash without violating federal law, they must take additional steps to ensure they are in compliance.

While legalizing recreational marijuana may generate significant tax revenue, there are significant costs associated with regulating and enforcing the marijuana industry and other marijuana-related issues. The legalization of marijuana has not successfully eradicated the “black market” for marijuana in other states where marijuana has been legalized. Some marijuana producers opt to continue illegal enterprises in order to avoid the costs of regulatory requirements and taxes thus creating a “black market” that didn't previously exist. The Rocky Mountain HIDTA recently reported that Colorado Drug Task Forces have conducted 257 investigations of black market marijuana, which has resulted in 192 felony arrests, 6.08 tons of marijuana seized, and the seizure of 60,091 marijuana plants in 2018.

New Mexico can learn from other states where the economic and social costs of marijuana legalization have far exceeded the revenues projected by pro-legalization activists. A study conducted by the Centennial Institute in Colorado found that for every one dollar in tax revenue from marijuana, the state spends \$4.50 to deal with the many outcomes impacted. New Mexico has consistently ranked among the worst states when it comes to alcohol impaired driving. Based on other legalized states' data, it is probable the problem will be compounded by allowing recreational



marijuana. Overall, the costs associated with legalized marijuana are likely to outweigh any potential revenue generated.

State Considerations for Marijuana Legalization

While New Mexico law enforcement does not support or condone further legalization efforts, the following items should be asked and answered by any state considering legalizing marijuana. This list is not all inclusive as there are many aspects of consideration moving into a regulated system and it should be noted that marijuana is still illegal under federal law.

- Have law enforcement agencies increased the use and number of Drug Recognition Experts to detect or measure the level of impairment of motor vehicle operators under the influence of marijuana? This will result in budgetary implications for law enforcement to train additional personnel.
- Has the state developed an impairment standard for driving while under the influence of marijuana?
- Has the state improved methods of data collection regarding marijuana use by drivers arrested for impaired driving?
- Has the state conducted studies for new methods of detecting drug impaired driving on the states roadways?
- Has the state enhanced its anti-DWI/DUI efforts to include drug impaired driving?
- How will the state regulate retail providers? Will frequent compliance audit violations result in stiff penalties? What are the penalties?
- How will the state strictly enforce the under 21 purchasing ban?
- How will the state identify and develop strict regulations to address workplace intoxication maintaining drug-free workplace policies?
- Has the Department of Health monitored and documented patterns of use to evaluate the impact of the medical marijuana program?
- How will the state implement harm reduction strategies with a focus on public education as to the potential risks of excessive cannabis use?
- How will the state implement strategies to reduce youth use of marijuana?
- How will the state strictly enforce the state's tracking, reporting, and compliance system for the regulated marijuana program and will the state have the ability to revoke licenses and issue fines for violations?
- How will the state ensure adequate security at cultivation and dispensing facilities?
- Has the state determined hours of operation restrictions for retail establishments to include any delivery services?



- Has the state developed the mechanism of taxing marijuana based on the three common methods: weight-based, price-based, or potency based?
- Has the state developed a strategy for providers who will be required to treat substance abuse in an environment where marijuana is legal, which should include the judiciary and treatment courts?
- Has the state included input from subject matter experts and government representatives of public health, mental health, substance abuse, taxation and finance, and law enforcement/public safety in the development of legislation, regulations, policies, and implementation strategies?
- Has the state developed a plan regarding cannabis marketing and advertising to minimize young adult and vulnerable population exposure?
- Has the state considered including cannabis in existing smoke free laws with further restrictions?
- Will the state use cannabis revenue to fund ongoing marijuana-disease research programs?
- Will the state prohibit the growing of cannabis on public lands to avoid the dangers associated with marijuana production (i.e. pesticides, rodenticides, etc.)?
- How will the state enforce stringent testing standards on all cannabis products for accurate claims on all package labels, pesticides, microbial impurities (i.e. mold, salmonella, etc.), residual solvents/processing chemicals, moisture levels, homogeneity (i.e. even distribution of THC), and foreign materials (i.e. insect fragments, hair, etc.)?

Introduction

Will New Mexico be the next state to legalize recreational marijuana? New Mexico legislators will once again be tasked with making a decision regarding this very controversial topic. New Mexico Governor Michelle Lujan Grisham established a working group tasked with crafting legislation to legalize marijuana in the upcoming legislative session, which will begin in January 2020. The working group will build on last session's bill, which stalled in the senate. That measure would have imposed a tax of at least 17 percent on marijuana sales, with the revenue going toward health, law enforcement, and research programs. The governor has already signed legislation that decriminalizes possession of up to a half ounce of cannabis, which went into effect on July 1, 2019. The same legislation also decriminalized possession of drug paraphernalia, making New Mexico the first state to do so for this offense. New Mexico law enforcement officials have serious concerns regarding the possible legalization of recreational marijuana in the future and recognize the problems



associated with the passage of such a law, which has been well documented in other states that have been down this path. New Mexico has one of the highest rates of DWI as well as DWI accident related deaths, and recreational use of marijuana could further aggravate the problem.

The purpose of this report is to provide accurate, reliable, and meaningful data with hopes that citizens and policymakers will make an informed decision prior to passing any further legislation regarding recreational marijuana use in New Mexico.

While researching data for this report, it was known that prior to 2008, very little data exists regarding marijuana impaired driving as it relates to fatality accidents. It would have been beneficial to have data for comparison purposes prior to 2007 when medicinal marijuana was authorized, however, that data is not available. In 2008, the National Highway Traffic Safety Administration (NHTSA) started tracking this data, which is vital when assessing the impact of marijuana use. In 2019, it was discovered that NHTSA is no longer making this information available on their website, which is problematic. At the time of this report, data was not made available for inclusion.

“Mixing marijuana and alcohol increases impairment greater than the net effects of each individual substance.”

Background

According to the Substance Abuse and Mental Health Services Administration (SAMHSA) marijuana is the most commonly used illicit drug in the United States. Marijuana or Cannabis, refers to the dried leaves, flowers, stems, and seeds from the hemp plant *Cannabis Sativa*, which contains the mind altering chemical delta-9-tetrahydrocannabinol (THC) as well as a number of other related compounds called cannabinoids. Another compound, terpenes, gives cannabis its aromatic and flavor profile. Marijuana is commonly referred to as pot, weed, reefer, ganja, and Mary Jane. Marijuana can be consumed by inhalation (smoking and vaporizing), oral consumption, and via topical applications.

In 2007, New Mexico passed legislation authorizing medicinal use, growing, and sales of cannabis even though it is still a violation of federal law. The New Mexico statute was amended with provisions allowing such use. By statute this act is often cited as



the “Lynn and Erin Compassionate Use Act.” The act was named in honor of the late Lynn Pierson, who advocated marijuana use while suffering from testicular cancer, and Erin Armstrong, who was diagnosed with cancer as a teenager. They both played a key role in the advocacy for allowing legal access to medical cannabis for alleviating symptoms caused by debilitating medical conditions and their treatments. Ironically, Lynn Pierson never benefitted from the legislation as a result of his death in August 1978. New Mexico’s program was the first in the nation to license medical cannabis producers at the state level.

Marijuana legalization may be poised to move forward in 2020 with Governor Michelle Lujan Grisham. She has stated, “I am committed to working with the Legislature to move towards legalizing recreational cannabis in a way that improves public safety, boosts state revenues, and allows for New Mexico businesses to grow into this new market.”

Legalization advocates state that educating communities about the benefits of legalization is a slow process. These same advocates do not acknowledge the harmful effects and consequences of introducing and passing such legislation. The omission of key facts learned from other states would be a critical oversight and both sides of the balance sheet should be considered and discussed.

Two distinct eras exist regarding the legalization of marijuana in New Mexico:

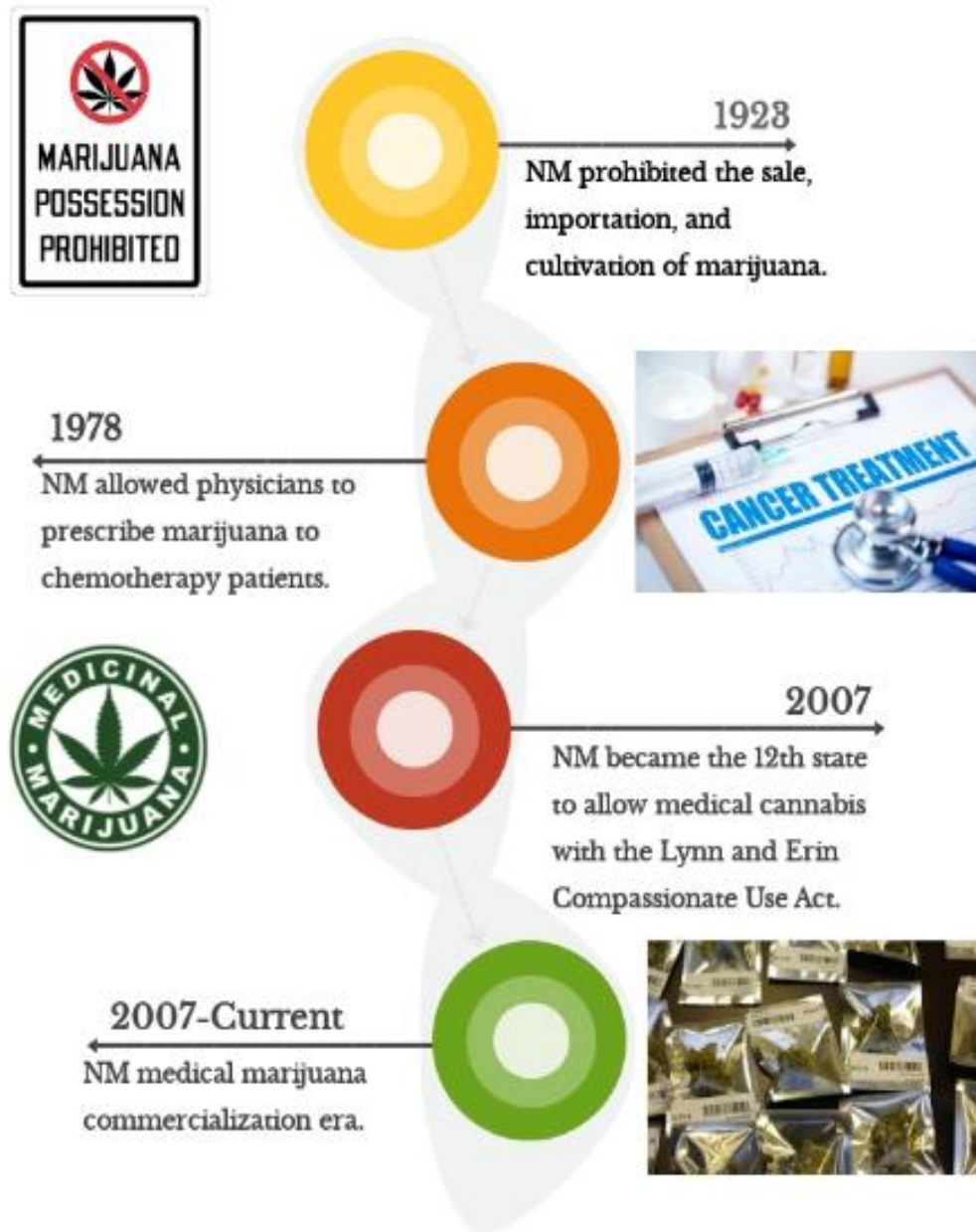
- Prior to 2007: Before medical cannabis was authorized.
- 2007 – Current: New Mexico became the 12th state to allow medical cannabis with the Lynn and Erin Compassionate Use Act (Senate Bill 523).

The growing acceptance, accessibility, and use of cannabis raise important public health concerns with a clear need to establish what is known and what needs to be known about the further legalization of cannabis in New Mexico. Since 1970 the Controlled Substances Act has classified marijuana as a drug with no accepted medical use as determined by the Food and Drug Administration.



A Historical Timeline

History of Marijuana in New Mexico



Impaired Driving and Fatalities

Drug-impaired driving is a critical issue for states nationwide, creating challenges for law enforcement and highway safety offices, and New Mexico is no exception. New Mexico has alcohol specific DWI laws and comprehensive enforcement strategies in place, but drug impaired driving is much more complicated than drunk driving. There are many legal and illegal drugs that can impair drivers. It's more challenging for law enforcement to detect drug impairment on the roadside than alcohol impairment. New Mexico has inconsistent and incomplete data on drug presence in crash-involved drivers. There is currently no “breathalyzer” equivalent to test for marijuana impairment.

Marijuana is one of many drugs that can cause significant and dangerous driving impairment when consumed. As states have legalized recreational use of marijuana over the past decade, there has been an increase in passenger vehicle drivers testing positive for marijuana. Marijuana impairment while driving is a real problem as legal access to marijuana increases.



In the United States, more than 22 percent of fatally injured motorists who were tested for drugs tested positive for marijuana in 2016 (Lardieri, 2018). All states have laws that prohibit driving while impaired (i.e. under the influence or intoxicated) by alcohol and other drugs to include marijuana. According to the National Highway Traffic Safety Administration there are no evidence-based methods to differentiate the cause of driving impairment between alcohol and marijuana. There are efforts underway to develop differentiation between alcohol impairment and marijuana impairment, but a successful outcome cannot be guaranteed. Studies have shown marijuana affects physical performance in the following ways:

- The ability to track or follow moving objects is reduced.
- The ability to determine accurate visual depth decreases.
- The ability to determine velocity or speed at which an object is traveling lowers.

The presence of THC alone in a driver does not establish impairment and does not distinguish between active marijuana use and environmental exposure. Some studies have shown that people exposed to second-hand marijuana smoke can test positive for THC. This is problematic for states who have legalized medical and/or recreational

marijuana and must be taken into consideration during fatality crash investigations when marijuana use is suspected.

Recreational marijuana legalization is associated with an increase in the prevalence of marijuana use, which was reported in Washington State as well as Colorado. Colorado use rates are reportedly higher than national averages. Data indicates that the number of “THC-positive” drivers increases after legalization. A survey in Colorado reported that almost 70 percent of cannabis consumers reported driving while impaired at least once in the past year. High risk demographics, including those in New Mexico, tend to consume marijuana at higher rates and drive while impaired more often.

2017: 46 percent of fatally-injured drivers with known test results tested positive for drugs, up from 28 percent in 2007 according to National Highway Traffic Safety Administration.

**Total Crashes and Alcohol-involved Crashes by
Crash Severity in New Mexico, 2009-2018**

Year	Total Crashes				Alcohol-involved Crashes			
	Fatal	Injury	Property Damage Only	Total	Fatal	Injury	Property Damage Only	Total
2009	319	13,120	32,717	46,156	132	1,143	1,423	2,698
2010	317	12,593	29,892	42,802	131	939	1,092	2,162
2011	306	12,603	30,317	43,226	131	1,000	1,189	2,320
2012	337	11,018	29,728	41,083	139	874	1,163	2,176
2013	275	11,112	27,821	39,208	123	817	997	1,937
2014	340	11,364	28,986	40,690	152	896	993	2,041
2015	269	13,207	31,832	45,308	103	938	1,093	2,134
2016	361	13,849	30,861	45,071	149	909	1,015	2,073
2017	341	13,460	32,105	45,906	131	906	1,013	2,050
2018	351	13,597	32,838	46,786	141	879	1,070	2,090

SOURCE: UNM, Geospatial and Population Studies, Traffic Research Unit



Fatalities by Alcohol Involvement ¹ , 2019 to Date				
Month in 2019	Alcohol-involved ¹	Not Alcohol-involved	Alcohol Unknown	Total Fatalities
January	12	20	-	32
February	9	19	-	28
March	13	27	-	40
April	7	19	-	26
May	18	22	-	40
June	8	19	-	27
July	6	40	-	46
August	9	24	6	39
September	6	18	11	35
October	4	30	-	34
November	-	-	-	-
December	-	-	-	-
Total	92	238	17	347

¹ All fatalities in alcohol-involved crashes.

SOURCE: UNM, Geospatial and Population Studies, Traffic Research Unit



Frequency of Contributing Factors in Crashes By Crash Severity in New Mexico, 2018

Contributing Factors	Frequency of Contributing Factor ¹ by Crash Severity			
	Frequency in Fatal Crashes	Frequency in Injury Crashes	Frequency in Property Damage Only Crashes	Frequency in All Crashes
Human	817	21,812	44,477	67,106
Driver Inattention	136	7,480	15,262	22,878
Failed to Yield Right of Way	28	2,898	4,765	7,691
Following Too Closely	3	2,041	4,629	6,673
Other Improper Driving	53	1,586	3,236	4,875
Excessive Speed	94	1,359	2,131	3,584
Avoid No Contact - Vehicle	30	812	1,779	2,621
Made Improper Turn	7	597	1,903	2,507
Disregarded Traffic Signal	15	1,010	1,335	2,360
Speed Too Fast for Conditions	37	701	1,462	2,200
Alcohol Involved	140	887	1,080	2,107
Improper Lane Change	8	333	1,716	2,057
Improper Backing	1	83	1,201	1,285
Drove Left Of Center	48	432	797	1,277
Improper Overtaking	10	225	892	1,127
Passed Stop Sign	6	355	537	898
Avoid No Contact - Other	17	210	590	817
Cell Phone	2	146	361	509
Drug Involved	110	147	174	431
Vehicle Skidded Before Brake	8	117	289	414
Pedestrian Error	57	235	48	340
Failed to Yield to Police Vehicle	1	46	79	126
Driverless Moving Vehicle	1	24	78	103
High Speed Pursuit	1	36	49	86
Failed to Yield to Emergency Vehicle	3	26	42	71
Texting	1	26	42	69

(Multiple contributing factors may be reported for any vehicle in a crash)

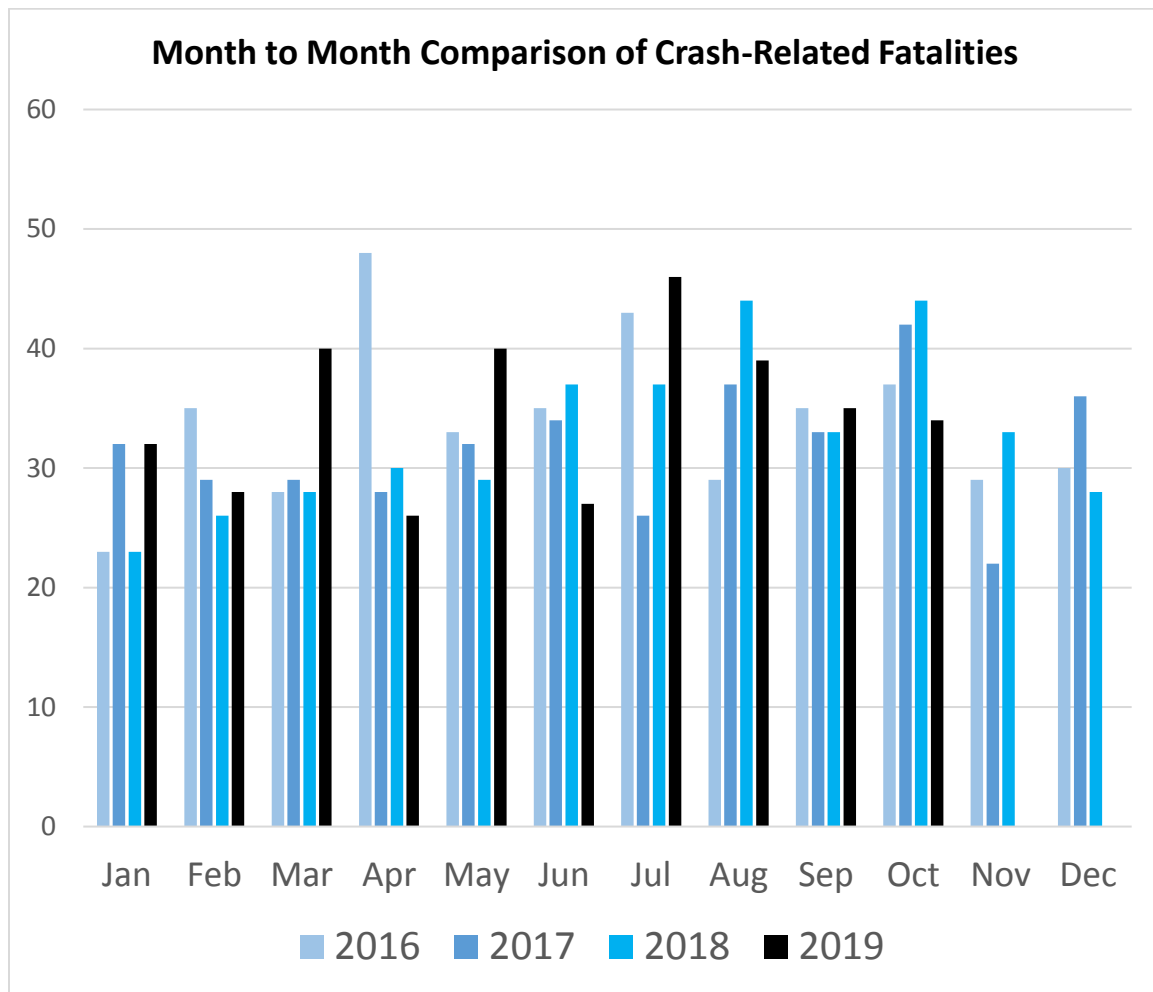
SOURCE: UNM, Geospatial and Population Studies, Traffic Research Unit



Drug-involved Crashes by Crash Severity, 2013-2017

Year	Drug-involved Crashes							
	Fatal Crashes		Injury Crashes		Property Damage Only Crashes		Total Drug-involved Crashes	
	Count	Percent	Count	Percent	Count	Percent	Count	Percent
2013	3	1.4%	95	45.0%	113	53.6%	211	100%
2014	29	10.2%	106	37.5%	148	52.3%	283	100%
2015	10	4.2%	95	39.6%	135	56.3%	240	100%
2016	31	11.7%	105	39.5%	130	48.9%	266	100%
2017	25	9.3%	111	41.4%	132	49.3%	268	100%

SOURCE: UNM, Geospatial and Population Studies, Traffic Research Unit



SOURCE: UNM, Geospatial and Population Studies, Traffic Research Unit

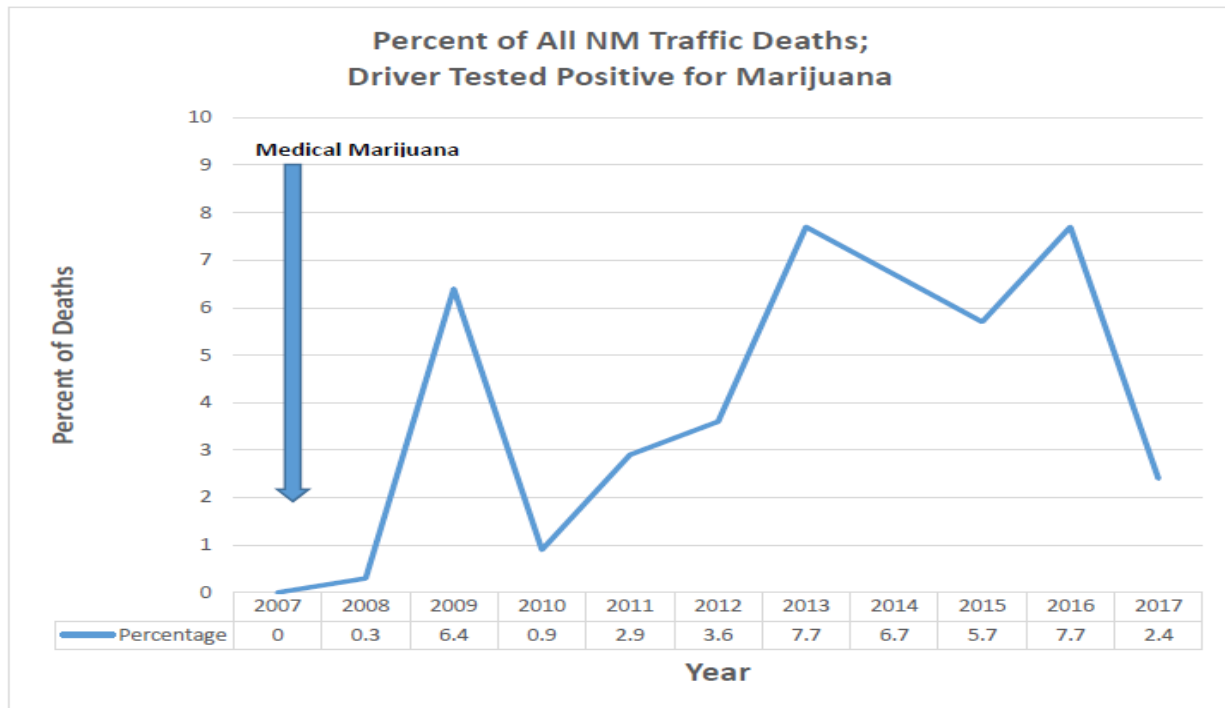


In order to combat drugged driving incidents, New Mexico enacted a law that allows marijuana retailers/couriers to deliver marijuana to customers. In New Mexico, three couriers and five licensed non-profit producers (LNPPs) are allowed to deliver medical cannabis to patients as of January 2018. The delivery of marijuana is problematic and creates additional problems for states who are allowing this to occur. Courier services allow the opportunity for unlicensed, small independent couriers to deliver untested cannabis from an unknown source. These couriers may lack permits and may not be checking customer identification to prevent minors from buying their products. Couriers are potential targets by the criminal element and may view them as easy targets for cash and commodities. Colorado lawmakers, who are leaders in marijuana legislation, have pushed back against such a policy of delivery service within the state. Other states such as Washington, Alaska, and Washington D.C. have also chosen not to go down this problematic path.

<i>Year</i>	<i>Total # of Fatalities</i>	<i>Alcohol Involved</i>	<i>Marijuana Involved</i>
2002	449	225 (50.1%)	Data Not Available
2003	439	214 (48.7%)	Data Not Available
2004	522	219 (42.0%)	Data Not Available
2005	488	194 (39.8%)	Data Not Available
2006	484	191 (39.5%)	Data Not Available
2007	413	177 (42.9%)	0 (0.0%)
2008	366	143 (39.1%)	1 (0.3%)
2009	361	152 (42.1%)	23 (6.4%)
2010	349	145 (41.5%)	3 (0.9%)
2011	351	152 (43.3%)	10 (2.9%)
2012	366	153 (41.8%)	13 (3.6%)
2013	311	133 (42.8%)	24 (7.7%)
2014	386	170 (44.0%)	26 (6.7%)
2015	298	120 (40.3%)	17 (5.7%)
2016	405	171 (42.2%)	31 (7.7%)
2017	379	146 (38.5%)	9 (2.4%)

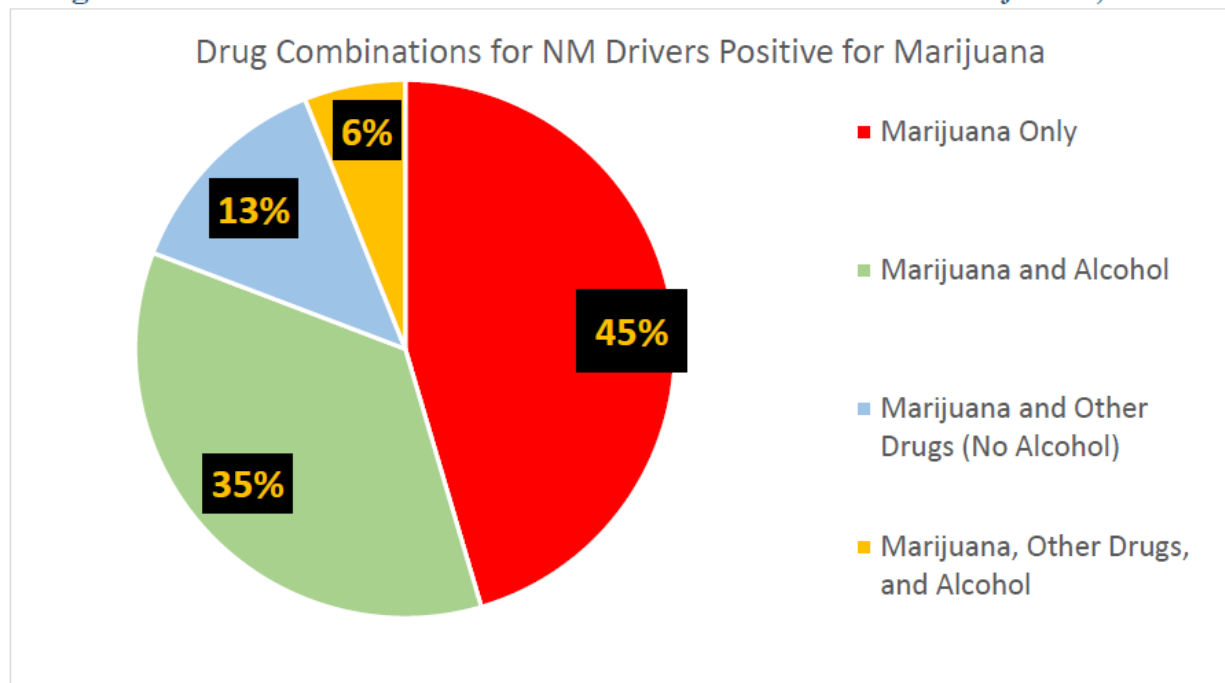
Data: NHTSA / FARS





SOURCE: National Highway Traffic Safety Administration, FARS 2007-2016

Drug Combinations for Drivers Who Tested Positive for Marijuana, 2016



Source: National Highway Traffic safety Administration, New Mexico FARS 2016 Data



New Mexico Crash Highlights



On an average day in New Mexico, 126 crashes have occurred, which involved 317 people, with 53 people injured and one person killed.

-NM DOT

On average in New Mexico...



A person was **killed or injured** in an alcohol-involved crash every 6 hours.

46%

Alcohol/drug involvement accounted for 46 percent of the motor vehicle fatalities in New Mexico.



Every 11 minutes a motor vehicle **crash** occurred.



Every 27 minutes a person was **injured** in a crash.



44%

The percentage of fatally-injured drivers with known results tested positive for drugs in the U.S.

Source: Governors Highway Safety Association

SOURCE: NM DOT Data 2017

2017 New Mexico Crash Highlights

- Less than one percent of crashes resulted in a **fatality**.
- 29 percent of crashes resulted in an **injury**.
- 17 percent of crashes were **hit-and-run** crashes.
- 52 percent of **pedestrians** killed in crashes were under the influence of alcohol.
- Five percent of crashes and 39 percent of crash fatalities involved **alcohol**.

Top contributing factors in crashes:

- Driver inattention (20 percent)
- Failed to yield right of way (14percent)
- Following too closely (12 percent)



Top contributing factors in fatalities:

- Alcohol / drug involvement (46 percent)
- Excessive speed (10 percent)
- Drove left of center (9 percent)
- In an **average day** in New Mexico, **126 crashes** occurred, which **involved 317 people**, with **53 people injured** and **one person killed**.

On average in New Mexico in 2017:

- A motor vehicle crash occurred every **11 minutes**.
- A crash occurred in Bernalillo County every **26 minutes**.
- A person was injured in a crash every **27 minutes**.
- A distracted-driving crash occurred every **56 minutes**.
- A semi/large-truck crash occurred every **3 hours**.
- An alcohol-involved crash occurred every **4 hours**.
- A person was killed or injured in an alcohol-involved crash every **6 hours**.
- A motorcycle was involved in a crash every **8 hours**.
- A pedestrian was hit by a vehicle every **14 hours**.
- A bicyclist was hit by a vehicle every **23 hours**.
- A person was killed in a crash every **23 hours**.

SOURCE: NM Department of Transportation

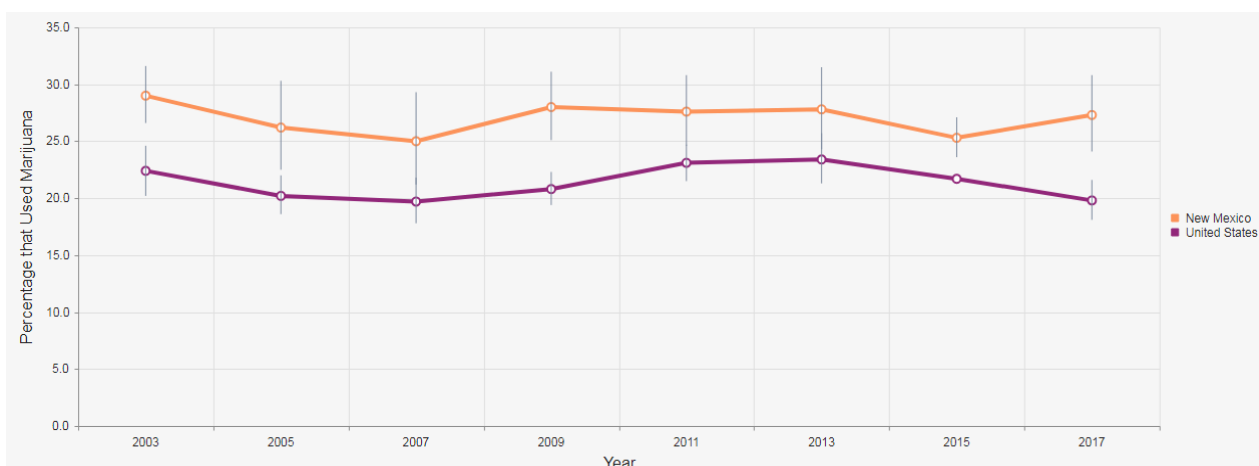
Youth Marijuana Use

The U.S. Surgeon General recently issued a warning for teens and pregnant women regarding the use of marijuana. He stated, “No amount of marijuana during pregnancy or adolescence is safe.” According to U.S. Health and Human Services Secretary, Alex Azar, “This advisory makes clear that marijuana poses substantial risks to the developing brain.” Marijuana use during adolescence is said to be associated with changes in areas of the brain as it relates to attention, memory, decision-making, and motivation. Marijuana is the third most commonly used illicit substance in adolescents behind alcohol and e-cigarettes according to reports.

Nationally, about 38 percent of high school students report having used marijuana in their life, according to the U.S. Centers for Disease Control and Prevention.



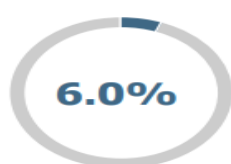
Youth Current Marijuana Use, Grades 9-12 by Year, NM and US, 2003-2017



SOURCE: NM Department of Health

PAST-MONTH MARIJUANA USE AMONG YOUTH AGED 12-17 IN REGION 6 (ANNUAL AVERAGES 2014-2017)

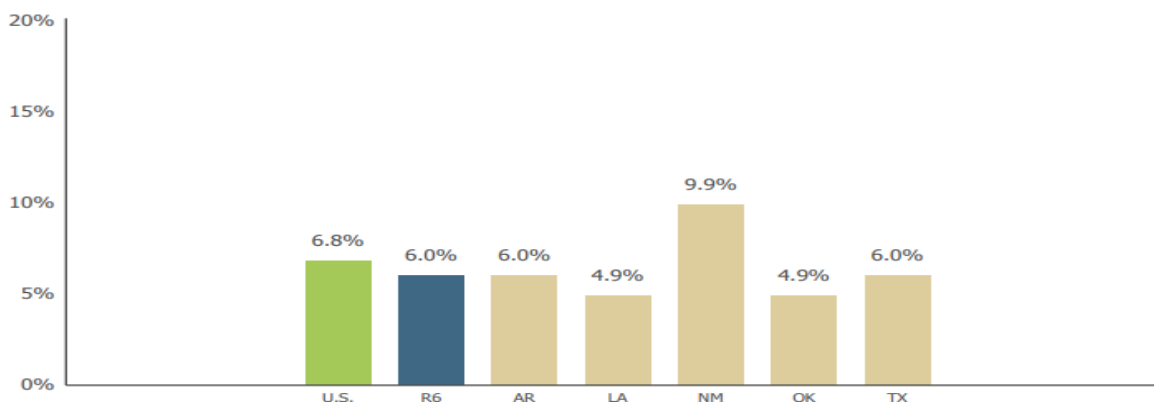
***Substance Abuse and Mental Health Services Administration (SAMHSA) REGION 6 includes Arkansas, Louisiana, New Mexico, Oklahoma, and Texas**



During 2014–2017, among youth aged 12–17 in Region 6, **6.0%** (or **208,000**) used marijuana in the past month, lower than the national average (**6.8%**).

Compared to the national average, the estimate was higher in New Mexico; was lower in Louisiana and Oklahoma; and was similar in Arkansas and Texas.

Compared to the regional average, the estimate was higher in New Mexico; and was similar in Arkansas, Louisiana, Oklahoma, and Texas.

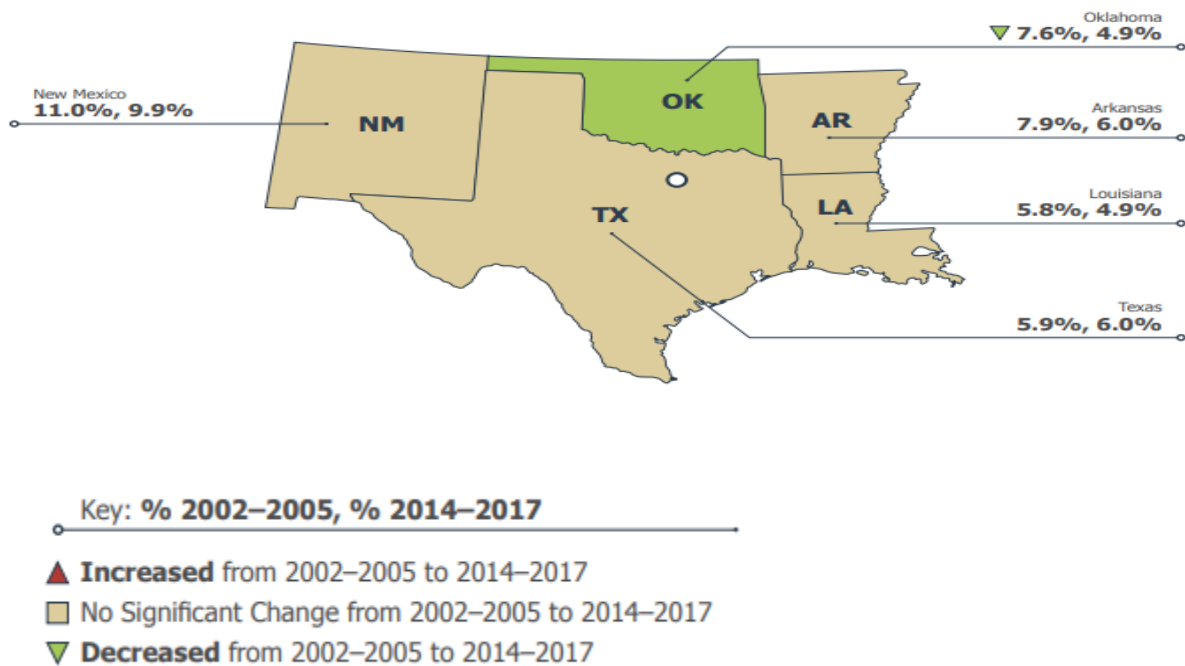


U.S. = United States; R6 = Region 6 (Arkansas, Louisiana, New Mexico, Oklahoma, and Texas); AR = Arkansas; LA = Louisiana; NM = New Mexico; OK = Oklahoma; TX = Texas.

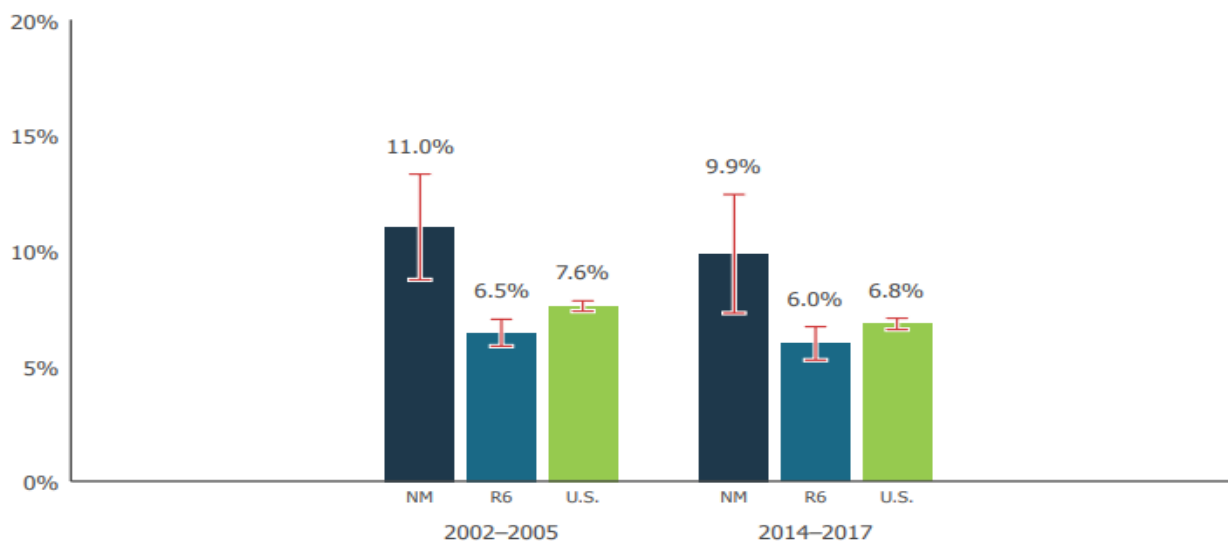
SOURCE: SAMSHA



**CHANGES IN PAST-MONTH MARIJUANA USE AMONG YOUTH
AGED 12-17, REGION 6
(ANNUAL AVERAGES, 2002-2005 AND 2014-2017)**



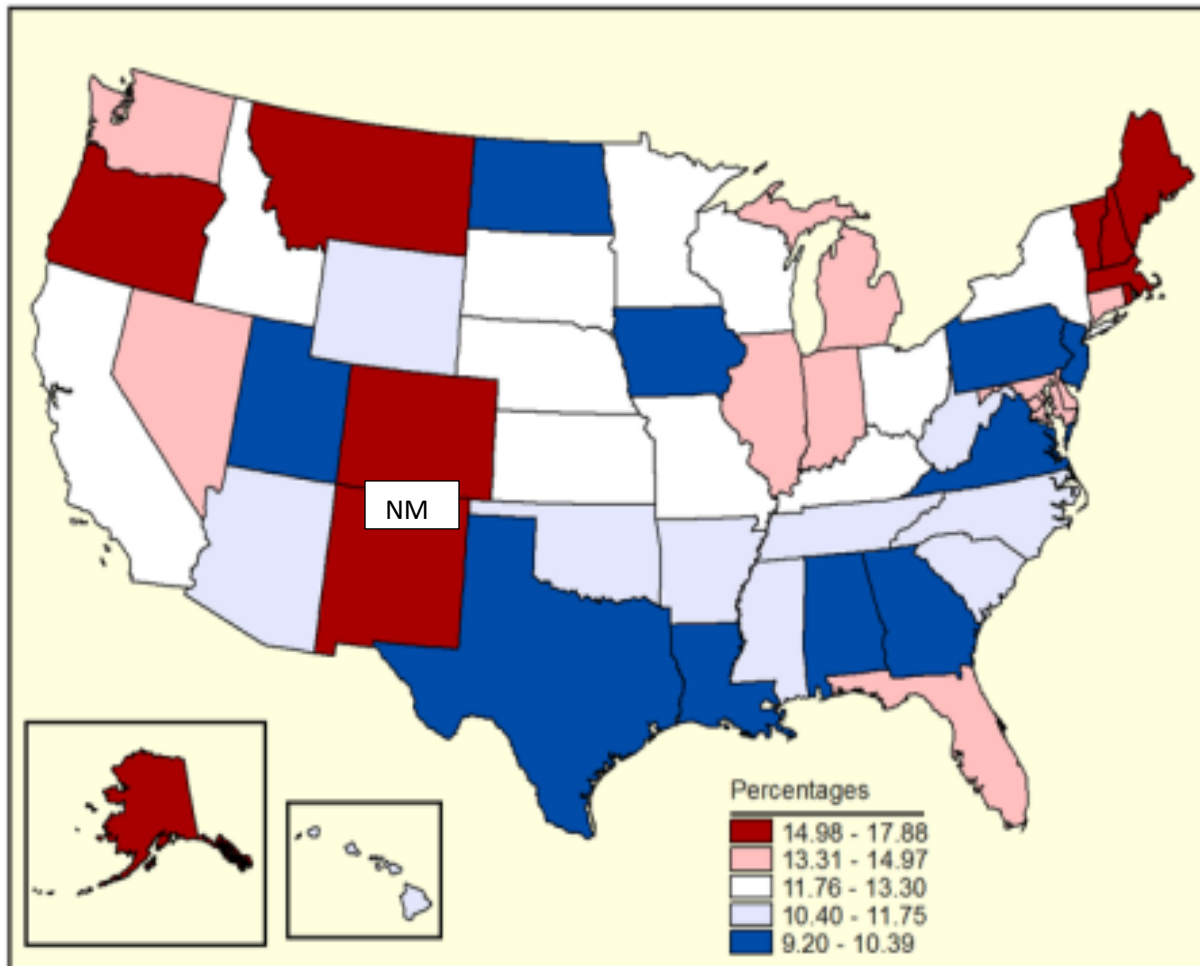
SOURCE: SAMHSA



SOURCE: SAMHSA



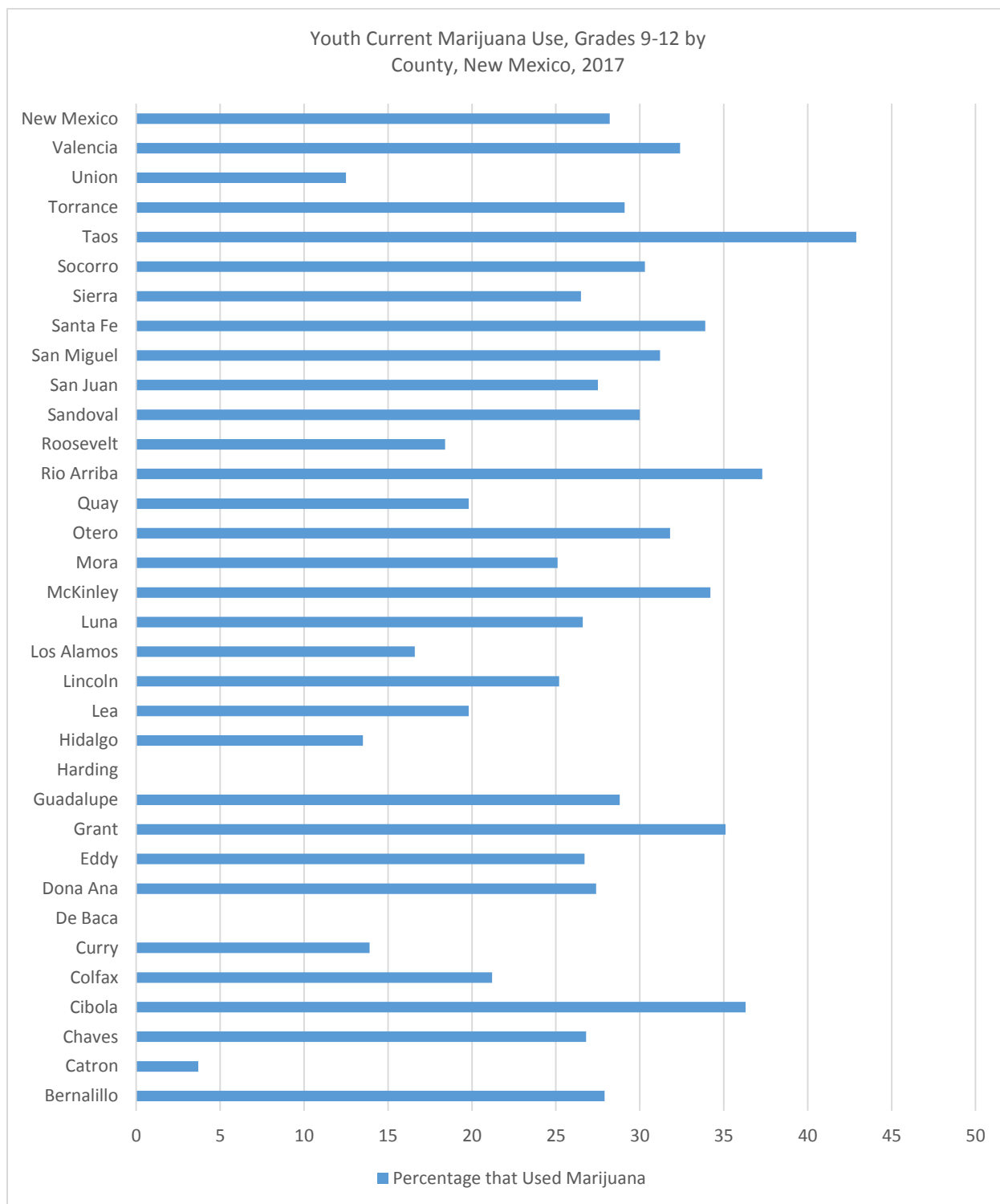
**Marijuana Use in the Past Year among Youths Aged 12 to 17, by State:
Percentages/Annual Averages Based on 2016 and 2017 NSDUHs**



**SOURCE: SAMHSA, Center for Behavioral Health Statistics and Quality,
NSDUH, 2016 and 2017**

**“Approximately one in ten people who use marijuana
will become addicted. When they start before age 18,
the rate of addiction rises to one in six.” (SAMSHA)**

Youth Current Marijuana Use, Grades 9-12 by County, New Mexico 2017



SOURCE: NM Indicator-Based Information System (NM-IBIS)



Adult Marijuana Use

PAST YEAR MARIJUANA USE AMONG YOUNG ADULTS

AGED 18-25, REGION 6

(ANNUAL AVERAGES, 2014-2017)

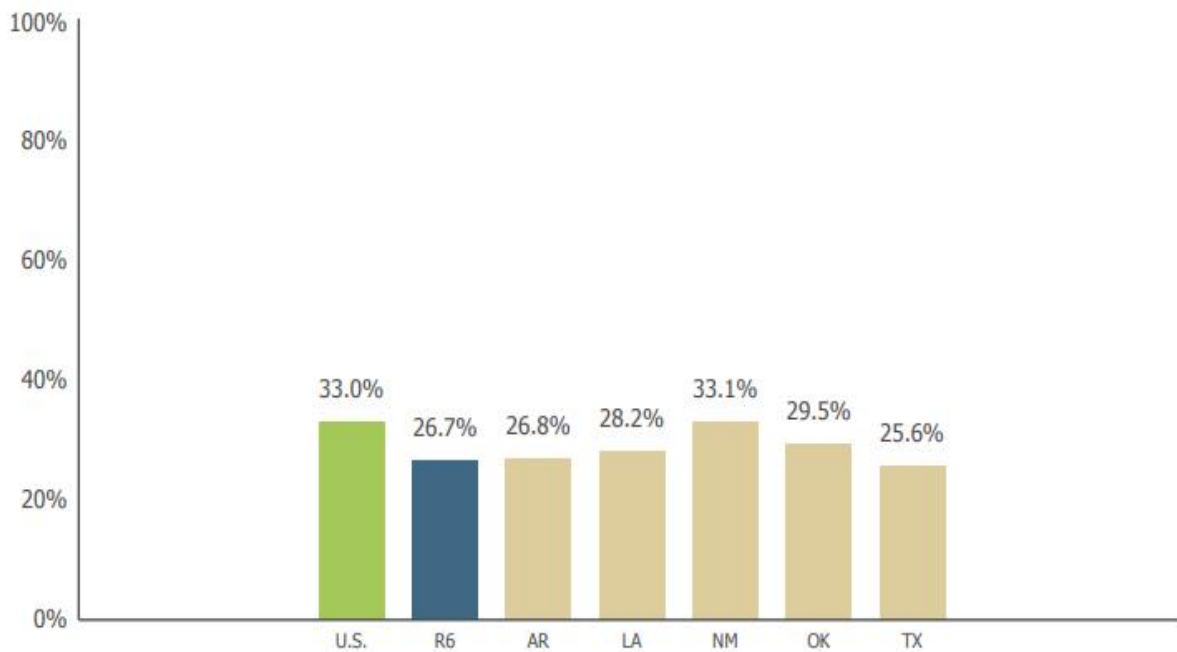
***Substance Abuse and Mental Health Services Administration (SAMHSA) Region 6 includes Arkansas, Louisiana, New Mexico, Oklahoma, and Texas**



During 2014–2017, among young adults aged 18–25 in Region 6, **26.7%** (or **1.2 million**) used marijuana in the past year, lower than the national average (**33.0%**).

Compared to the national average, the estimate was lower in Arkansas, Louisiana, and Texas; and was similar in New Mexico and Oklahoma.

Compared to the regional average, the estimate was higher in New Mexico; was lower in Texas; and was similar in Arkansas, Louisiana, and Oklahoma.



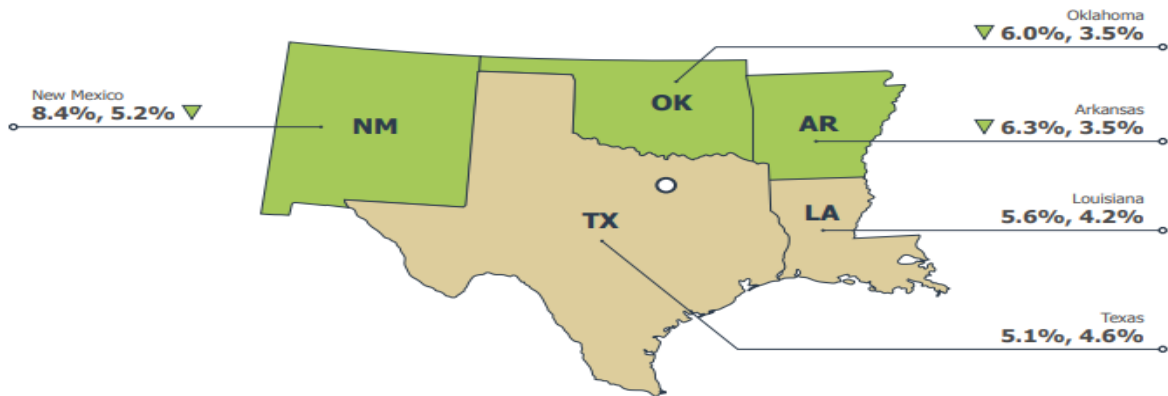
U.S. = United States; R6 = Region 6 (Arkansas, Louisiana, New Mexico, Oklahoma, and Texas); AR = Arkansas; LA = Louisiana; NM = New Mexico; OK = Oklahoma; TX = Texas.

SOURCE: SAMHSA



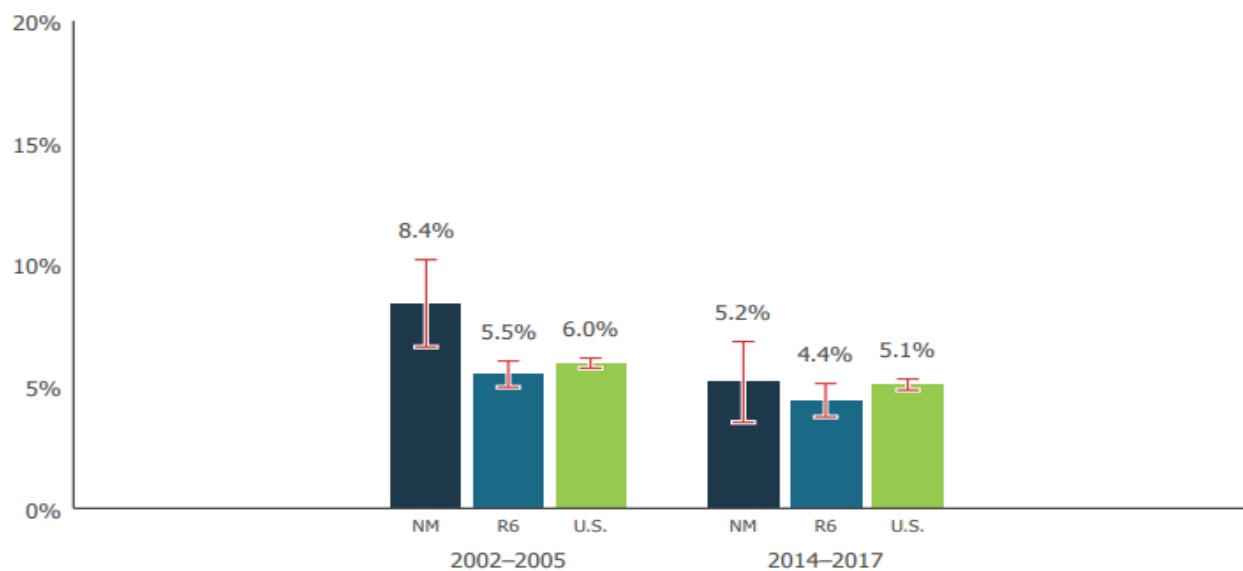
CHANGES IN PAST YEAR MARIJUANA USE DISORDER AMONG YOUNG ADULTS AGED 18-25, REGION 6 (ANNUAL AVERAGES, 2002-2005 AND 2014-2017)

Among young adults aged 18–25 in Region 6, the annual average percentage of marijuana use disorder in the past year decreased between 2002–2005 (5.5%) and 2014–2017 (4.4%). The percentage decreased in Arkansas, New Mexico, and Oklahoma.



Key: % 2002–2005, % 2014–2017

- ▲ Increased from 2002–2005 to 2014–2017
- No Significant Change from 2002–2005 to 2014–2017
- ▼ Decreased from 2002–2005 to 2014–2017

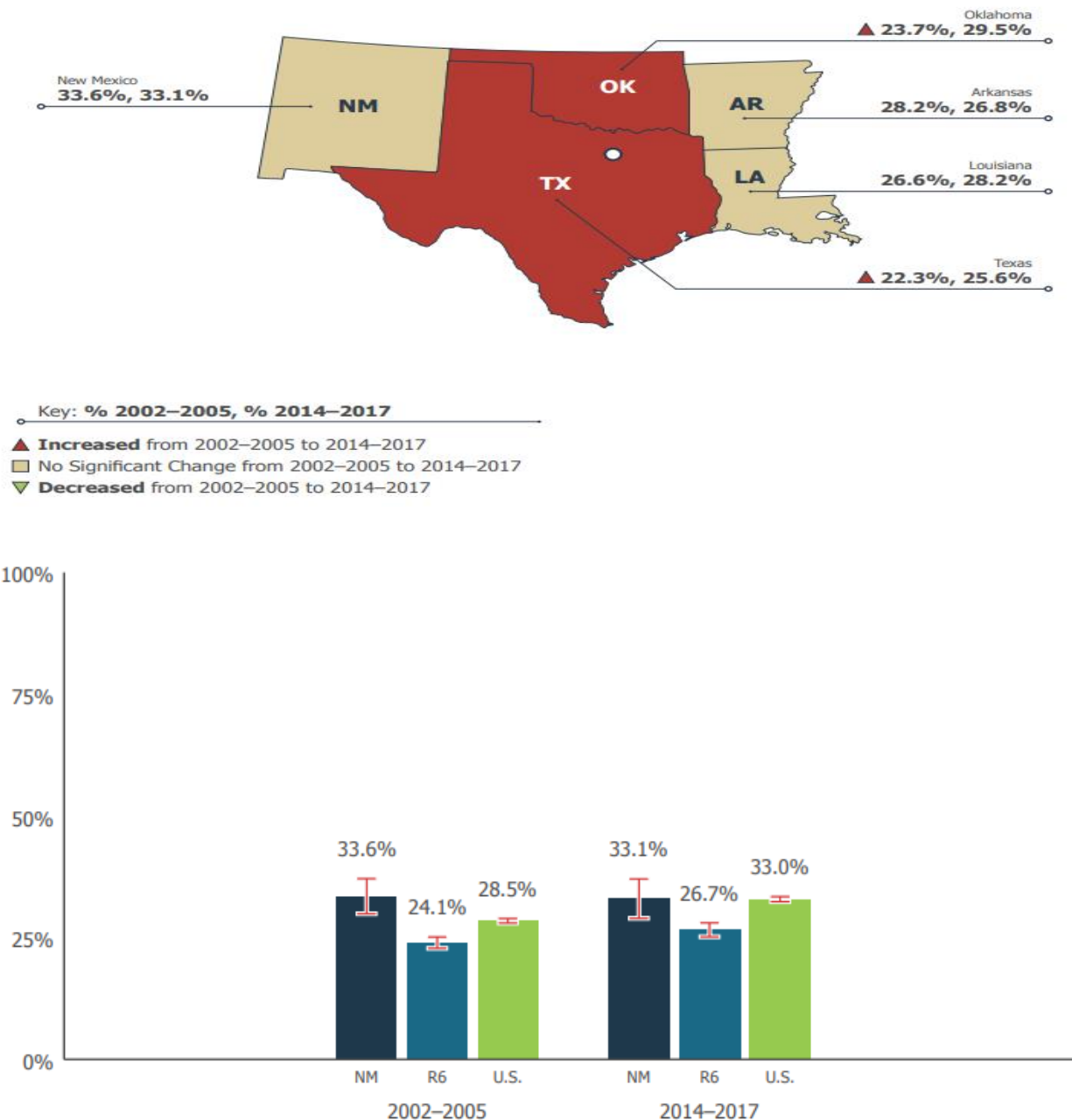


SOURCE: SAMHSA



CHANGES IN PAST YEAR MARIJUANA USE AMONG YOUNG ADULTS AGED 18-25, REGION 6 (ANNUAL AVERAGES, 2002-2005 AND 2014-2017)

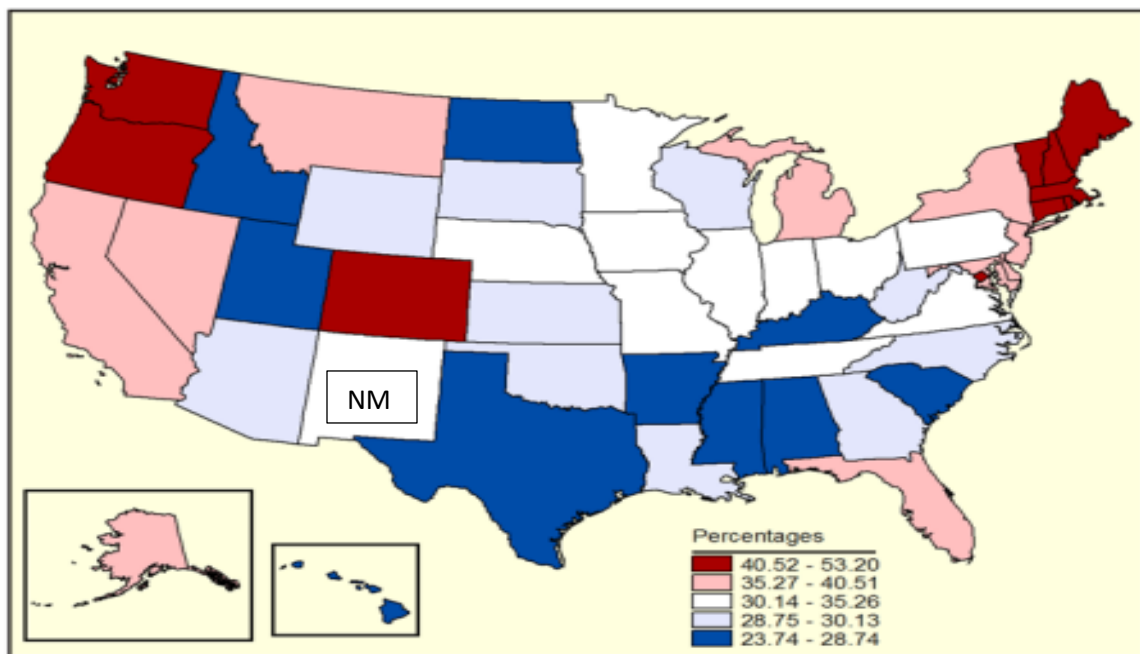
Among young adults aged 18–25 in Region 6, the annual average percentage of marijuana use in the past year increased between 2002–2005 (**24.1%**) and 2014–2017 (**26.7%**). The percentage increased in Oklahoma and Texas.



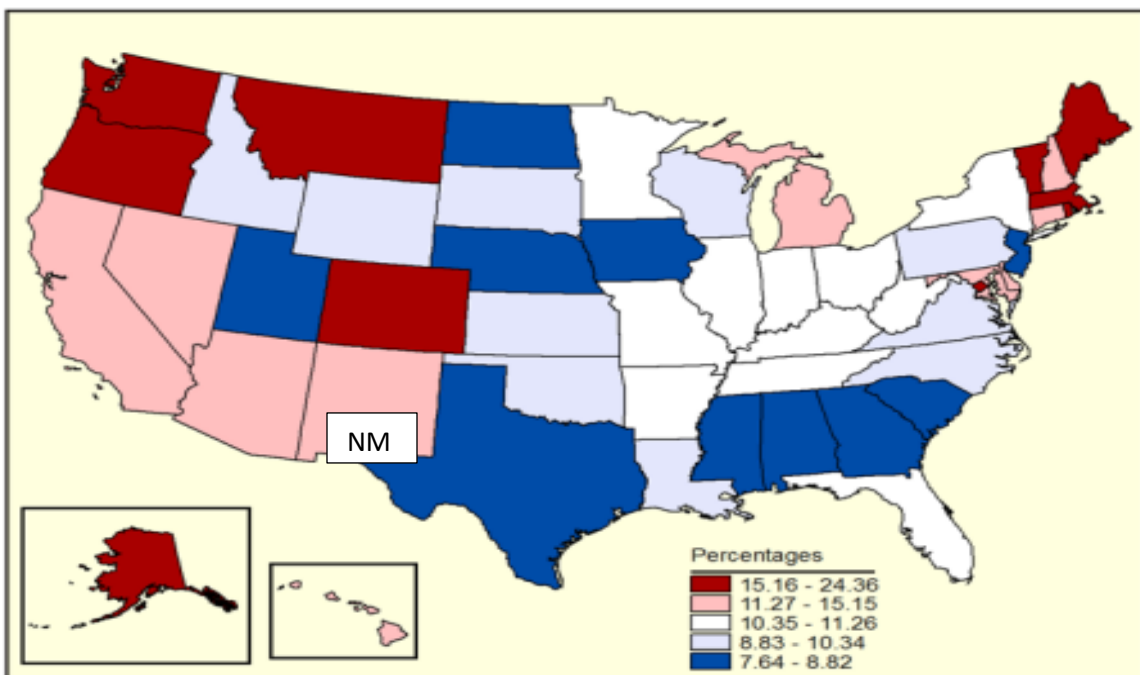
SOURCE: SAMHSA



Marijuana Use in the Past Year among Adults Aged 18 to 25, by State:
Percentages/Annual Averages Based on 2016 and 2017 NSDUH



Marijuana Use in the Past Year among Adults Aged 26 or Older, by State:
Percentages/Annual Averages Based on 2016 and 2017 NSDUH



SOURCE: SAMHSA, Center for Behavioral Health Statistics and Quality, NSDUH 2016 and 2017



Emergency Department and Hospital Marijuana Related Admissions

Marijuana Related Exposure

The amount of THC in marijuana has steadily climbed during the past few decades; today's marijuana has three times or more the concentration as compared to 25 years ago. The higher the THC amount, the stronger the effects on the brain, which has likely contributed to increased rates of marijuana-related emergency room visits. While there is no research yet on how higher potency affects the long-term risks of marijuana use, more THC is likely to lead to higher rates of dependency and addiction. Nationwide, there has been an increase in emergency department visits for psychosis, overdose, and accidental ingestions. In states that have legalized recreational marijuana, data shows that people arriving at emergency rooms for marijuana related reasons were five times more likely to have mental-health issues as well.

Marijuana-related calls to poison control centers in Washington and Colorado have increased since the states began allowing legal sales, with a troubling increase in calls concerning young children. Based on this trend in other legalized states, New Mexico can expect to see a substantial increase in calls to the poison center regarding toxic marijuana exposure.

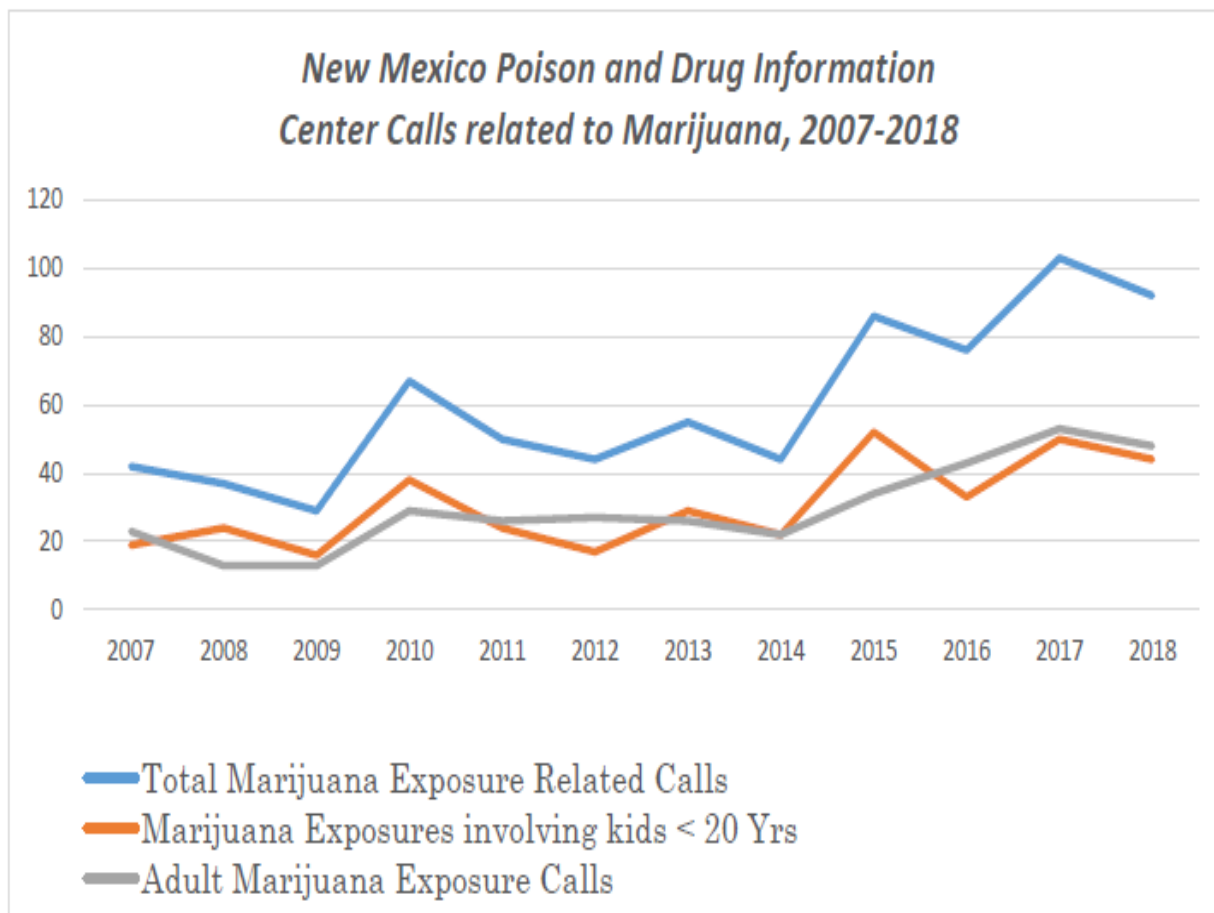
Even though states have mandated child resistant packaging and increased awareness regarding the potency of edibles and THC concentrates, toxic marijuana exposure calls continue to be problematic for states with medical marijuana and/or recreational marijuana laws. Marijuana should be treated as any other potentially harmful product and be kept safely and securely away from children.

Nationwide, as of October 29, 2019, there have been 1888 confirmed cases of lung injury associated with the use of e-cigarette products according to the Center for Disease Control. Thirty-seven deaths have been confirmed in 24 states ranging in age from 17 to 75 years. Products containing THC are believed to have played a role in the outbreak of vaping related incidents.

At the time of this report NMDOH is investigating 20 vaping-associated cases. More than three-quarters of the patients reported using THC (i.e. the high-inducing part of marijuana), while only three reported only nicotine use. All of the cases under investigation have included hospitalization with severe breathing problems after vaping to include coughing, shortness of breath, and fatigue. In the THC cases, users have reported vaping or dabbing (i.e. vaping marijuana oils, extracts, or concentrates) in the weeks and months prior to hospital admission. The users range in age from 13



to 46 years of age. If recreational use of marijuana is passed in New Mexico, the numbers of cases will increase as vaping is a popular method of marijuana use in legalized states. Since March 2019, more than 2,000 Americans who vape have gotten sick and at least 40 people have died (US News, 2019).



Source: New Mexico Poison and Drug Information Center, UNM

In 2018, there were a total of 135 toxic exposures to marijuana according to the New Mexico Poison Center. Twenty-eight of these incidents involved teenagers ranging in age from 13 to 19 years of age. There were 18 incidents involving children from 12 years old to less than one year of age. In 2019, there have already been 131 toxic marijuana exposures with similar numbers. Please see the following data tables for additional information.



**New Mexico Poison Center Toxic Exposure to Marijuana by Age,
2018 Data**

AGE	MALE	FEMALE	UNKNOWN GENDER	TOTAL EXPOSURES
< 1 YEAR	1	2	0	3
1 YEAR	4	5	1	10
2 YEARS	4	3	0	7
3 YEARS	2	2	0	4
4 YEARS	3	3	0	6
5 YEARS	1	0	0	1
CHILD 6-12 YEARS	3	1	0	4
TEEN 13-19 YEARS	20	8	0	28
UNKNOWN CHILD	0	1	2	3
20-29 YEARS	9	10	0	19
30-39 YEARS	6	2	0	8
40-49 YEARS	3	3	1	7
50-59 YEARS	3	2	0	5
60-69 YEARS	3	4	0	7
70-79 YEARS	3	4	0	7
80-89 YEARS	0	3	0	3
>=90 YEARS	1	1	0	2
UNKNOWN ADULT	6	3	0	9
OTHER	1	1	0	2
TOTAL	135			

SOURCE: New Mexico Poison Center



**New Mexico Poison Center Toxic Exposure to Marijuana by Age,
2019 Year to Date Data**

AGE	MALE	FEMALE	UNKNOWN GENDER	TOTAL EXPOSURES
< 1 YEAR	0	1	0	1
1 YEAR	6	1	0	7
2 YEARS	3	3	0	6
3 YEARS	4	1	0	5
4 YEARS	1	1	0	2
5 YEARS	1	0	0	1
CHILD 6-12 YEARS	4	1	0	5
TEEN 13-19 YEARS	25	13	0	38
UNKNOWN CHILD	0	0	0	0
20-29 YEARS	14	11	0	25
30-39 YEARS	5	5	0	10
40-49 YEARS	7	4	0	11
50-59 YEARS	0	7	0	7
60-69 YEARS	1	4	0	5
70-79 YEARS	1	2	0	3
80-89 YEARS	0	2	0	2
>=90 YEARS	1	0	0	1
UNKNOWN ADULT	1	1	0	2
OTHER	0	0	0	0
TOTAL	131			

SOURCE: New Mexico Poison Center

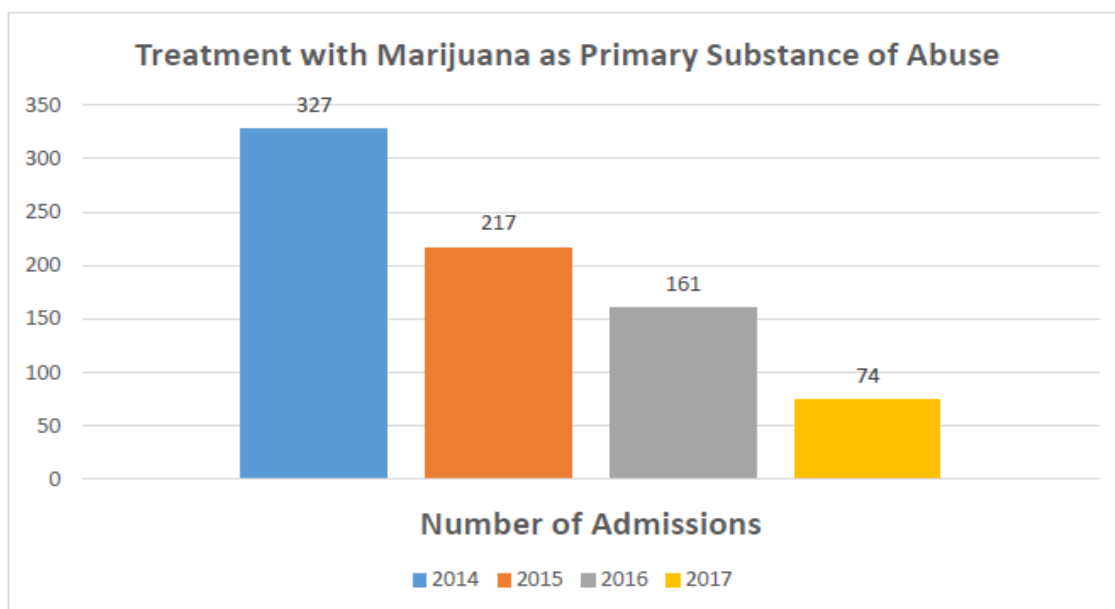


Treatment

In some cases, marijuana use may lead to addiction. Addiction occurs when a person can't control or stop marijuana use even though it is interfering with daily activities. Marijuana addiction is a well-defined disorder within the public health and medical communities that includes physical withdrawal symptoms, cravings, and psychological dependence (Vestal, 2018). Some of the common signs of marijuana addiction are:

- Being high more than one or two hours per day on a regular basis.
- Unable to stop using marijuana.
- Marijuana use is the priority over completing tasks or keeping commitments.
- Significant time is spent on buying marijuana, using marijuana, or recovering from marijuana use.
- Concentration or memory loss problems.
- Increased risky behavior while under the influence of marijuana (i.e. driving, child care, etc.).
- Withdrawal symptoms after not using marijuana for a period.

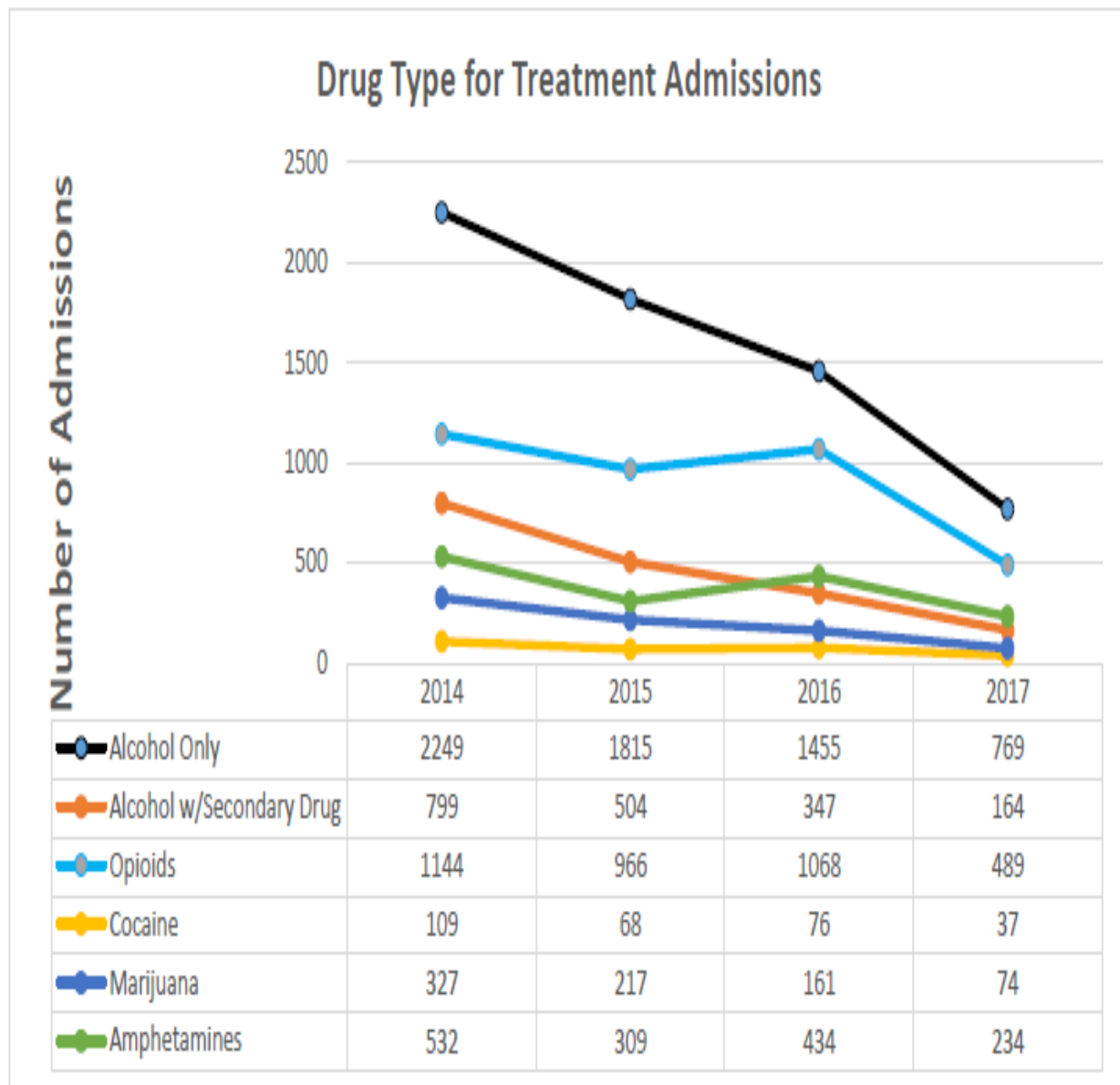
One of these characteristics alone may not indicate addiction, but the pattern of behaviors may signal a problem. Marijuana addiction is on the rise perhaps because of the increased potency from genetically engineered plants, the use of concentrated products, or because users are partaking multiple times per day.



SOURCE: SAMSHA Treatment Episode Data Set (TEDS). Based on data reported to TEDS 2014-2017.



Marijuana treatment data from New Mexico for the years 2014-2017 demonstrates a definitive downward trend in the number of admissions for treatment. Based on the four-year trend shown, New Mexico has an average of 195 treatment admissions annually for marijuana use. While the downward trend is a positive for New Mexico, it is troubling at the same time as it indicates fewer people are seeking treatment for marijuana use even though the state has seen a substantial increase in the number of medical marijuana card holders during the same time period.

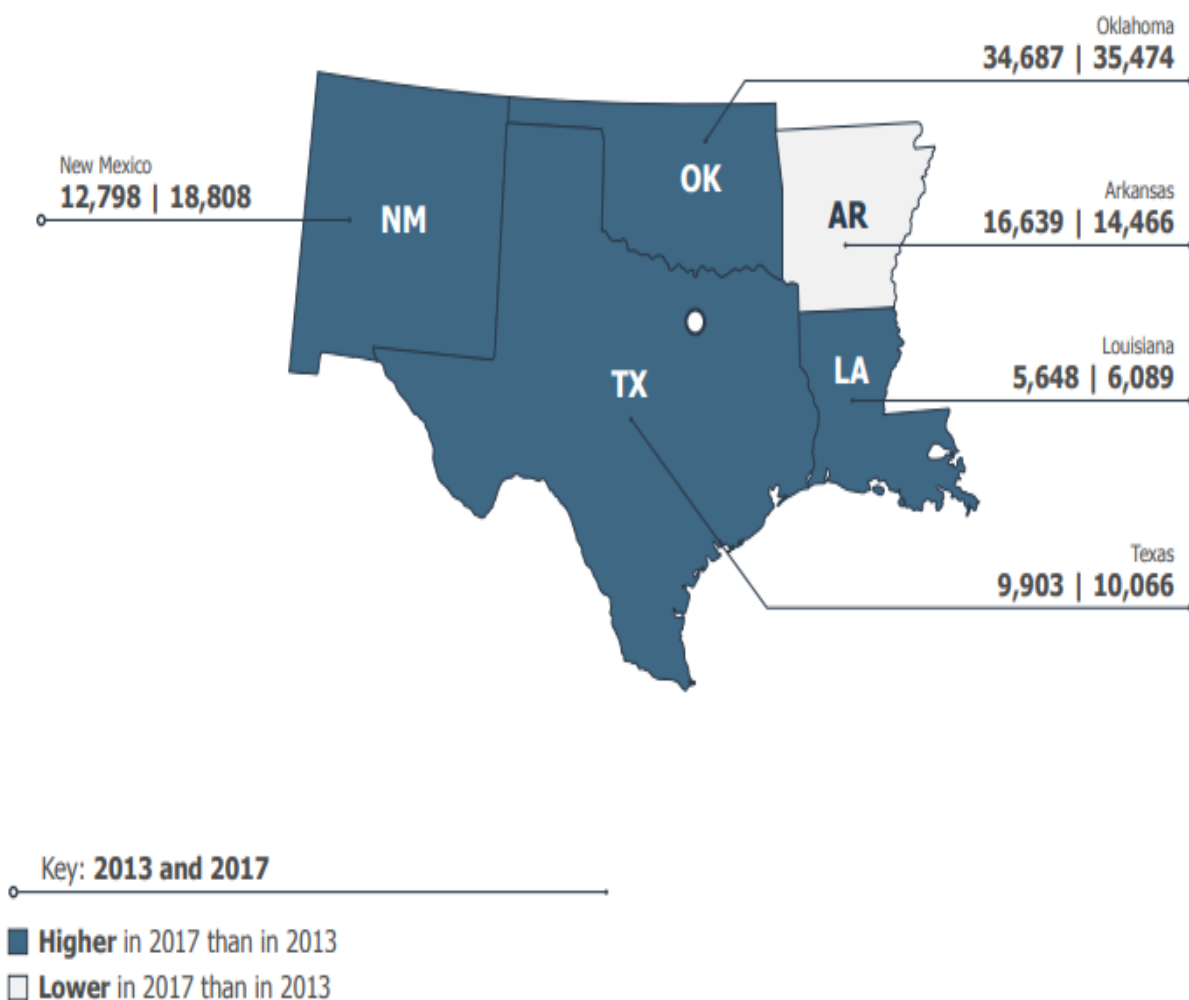


SOURCE: SAMHSA Treatment Episode Data Set (TEDS), 2014-2017



CHANGES IN THE NUMBER OF PEOPLE ENROLLED IN SUBSTANCE USE TREATMENT, REGION 6 (SINGLE DAY COUNTS, 2013-2017)

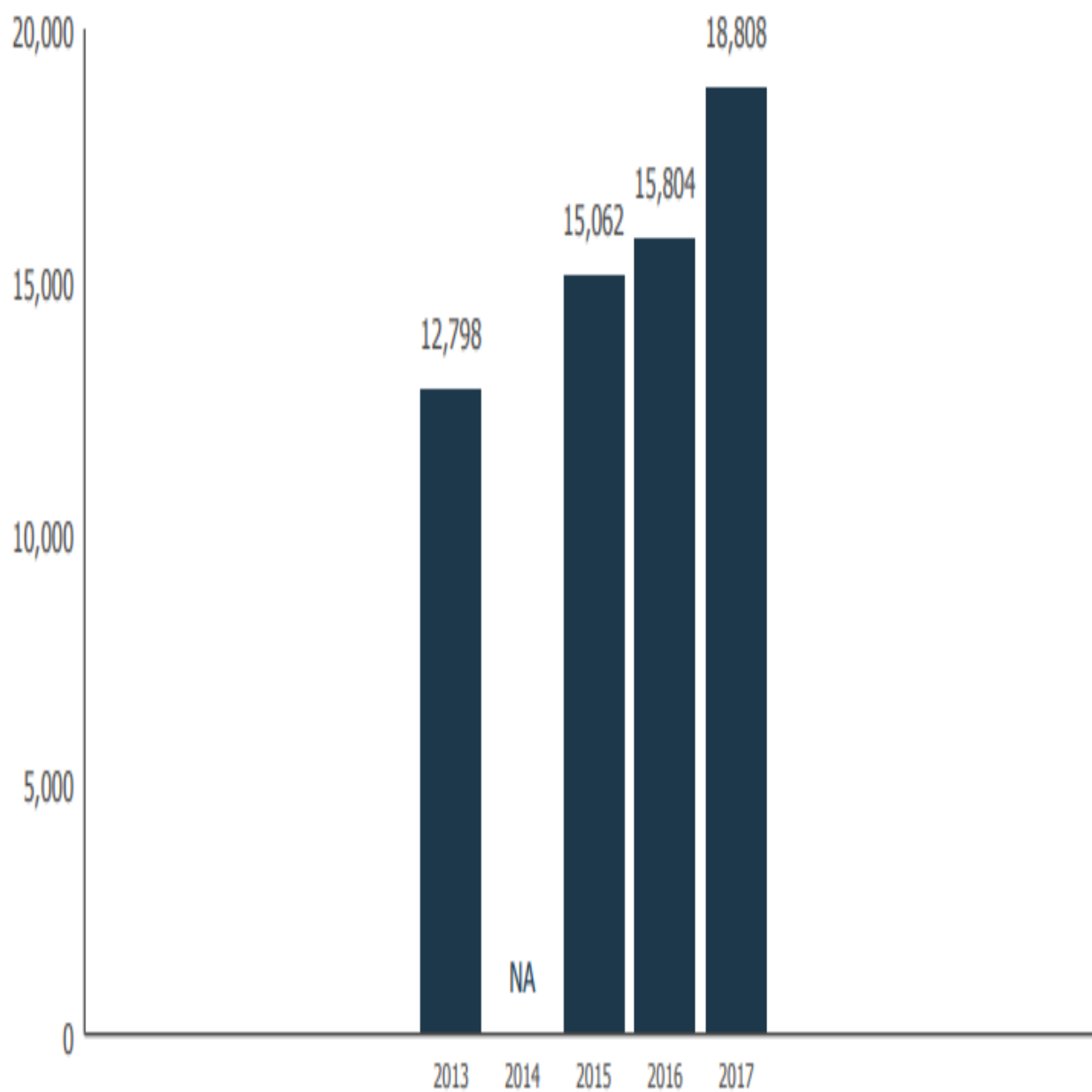
In a single-day count on March 31, 2017, **84,903** people in Region 6 were enrolled in substance use treatment – higher than **79,675** people in 2013.



SOURCE: SAMHSA



***CHANGES IN THE NUMBER OF PEOPLE ENROLLED IN SUBSTANCE
USE TREATMENT, REGION 6 (SINGLE DAY COUNTS, 2013-2017)***



SOURCE: SAMHSA



New Mexico Medical Marijuana

NEW MEXICO MEDICAL CANNABIS PROGRAM

PATIENT STATISTICS

November 2019

Active Patients: 78,810

Active Personal Production Licenses: 7,825

Qualifying Condition Count

Alzheimer's Disease	21
Amyotrophic Lateral Sclerosis	24
Autism Spectrum Disorder	40
Cancer	4,149
Crohn's Disease	240
Damage to the nervous tissue of the spinal cord	126
Epilepsy	940
Friedreich's Ataxia	3
Glaucoma	442
Hepatitis C Infection	60
HIV/AIDS	582
Hospice Care	226
Huntington's Disease	9
Inclusion Body Myositis	11
Inflammatory autoimmune-mediated arthritis	1,434
Intractable Nausea/Vomiting	415
Multiple Sclerosis	590
Obstructive Sleep Apnea	312
Opioid Use Disorder	120
Painful Peripheral Neuropathy	1,702
Parkinson's Disease	348
Post-Traumatic Stress Disorder	40,437
Severe Anorexia/Cachexia	217
Severe Chronic Pain	26,110
Spasmodic Torticollis	56
Spinal Muscular Atrophy	6
Ulcerative Colitis	181

SOURCE: NM Department of Health



2019 FIRST QUARTER (JANUARY - MARCH) SUMMARY REPORT

Patient Information	Total
Number of Patient Transactions	673,375
Active Patients March 31, 2019	70,743*

Average Amount (Units) Purchased	32.72
Average Price Per Gram (Flowers and Bud)	\$10.43

Product	Total	Average
Totals Plants in Production	23,493	690.97
Number of Plants Harvested	6,610	194.41
Total Yield (Units)	2,688,983	
Total Units Sold	2,315,167	
Units in Stock at the End of Quarter (Flower and Bud)	3,024,692	

For purposes of department rules, one unit of usable cannabis shall consist of one gram of the dried leaves and flowers of the female cannabis plant, or 0.2 grams (200 milligrams) of THC for cannabis-derived products.

- * Number from March 2019 patient statistics.
- * Units in stock are for flower and bud only; it does not include cannabis derived products.
- * Average price per gram does not include cannabis prices for wholesale.

SOURCE: NM Department of Health

2019 SECOND QUARTER (APRIL - JUNE) SUMMARY REPORT

Patient Information	Total
Number of Patient Transactions	732,314
Active Patients June 30, 2019	74,100*

Average Amount (Units) Purchased	33.29
Average Price Per Gram (Flowers and Bud)	\$9.92

Product	Total	Average
Totals Plants in Production	38,101	1,120
Number of Plants Harvested	9,488	279
Total Yield (Units)	3,024,951	
Total Units Sold	2,466,503	
Units in Stock at the End of Quarter (Flower and Bud)	3,003,847	

For purposes of department rules, one unit of usable cannabis shall consist of one gram of the dried leaves and flowers of the female cannabis plant, or 0.2 grams (200 milligrams) of THC for cannabis-derived products.

- * Number from June 2019 patient statistics
- * Units in stock are for flower and bud only; it does not include cannabis derived products.
- * Average price per gram does not include cannabis prices for wholesale.

SOURCE: NM Department of Health



2019 THIRD QUARTER (JULY - SEPTEMBER) SUMMARY REPORT

Patient Information	Total
Number of Patient Transactions	824,924
Active Patients September 30, 2019	77,168*

Average Amount (Units) Purchased	36.35
Average Price Per Gram (Flowers and Bud)	\$10.32

Product	Total	Average
Totals Plants in Production	29,929	880
Number of Plants Harvested	15,145	473
Total Yield (Units)	3,499,303	
Total Units Sold	2,805,396	
Units in Stock at the End of Quarter (Flower and Bud)	3,888,271	

For purposes of department rules, one unit of usable cannabis shall consist of one gram of the dried leaves and flowers of the female cannabis plant, or 0.2 grams (200 milligrams) of THC for cannabis-derived products.

***Number from September 2019 Patient Statistics**

SOURCE: NM Department of Health

As of November 2019, a total of 215 out-of- state residents have enrolled in New Mexico's medical cannabis program as a result of a state judge ruling that a change in state law had eliminated an in-state residency requirement. This ruling is currently being contested in the courts. Other states with patients enrolled in the New Mexico program include Colorado, Arizona, Montana, Illinois, and Kansas as well as one Mexican national according to the New Mexico Department of Health.

Department of Health Secretary, Kathy Kunkel, added additional qualifying conditions in June 2019, which included patients diagnosed with opioid use disorder, autism, and Alzheimer's disease.



Patient Count by County

November 2019

Bernalillo	26290
Catron	160
Chaves	2495
Cibola	969
Colfax	321
Curry	1704
De Baca	68
Dona Ana	6826
Eddy	2027
Grant	1486
Guadalupe	172
Harding	24
Hidalgo	112
Lea	1768
Lincoln	1314
Los Alamos	394
Luna	595
McKinley	778
Mora	229
Otero	2870
Quay	611
Rio Arriba	1698
Roosevelt	580
Sandoval	5658
San Juan	1600
San Miguel	1772
Santa Fe	9064
Sierra	945
Socorro	801
Taos	1772
Torrance	588
Union	146
Valencia	2800
Out of State	215

SOURCE: NM Department of Health



Related Data

The New Mexico governor's 23-member task force has made numerous recommendations in the push to authorize recreational use and sale of marijuana when the legislature convenes in January 2020. Some of the recommendations are:

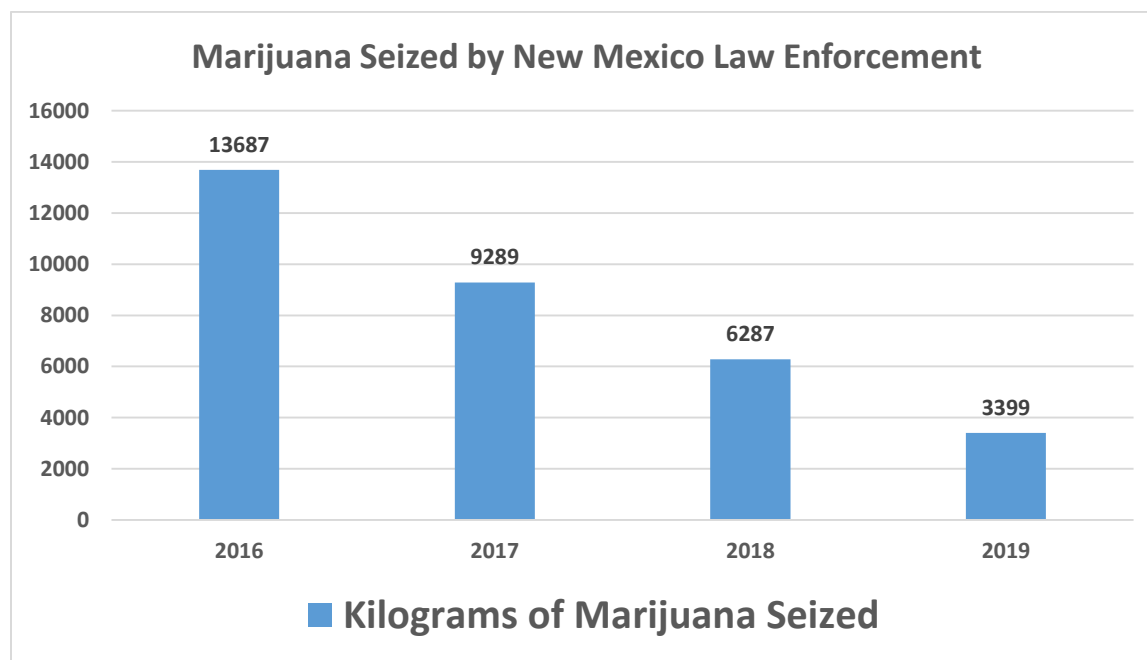
- Prohibit jurisdictions from opting out of allowing cannabis businesses, but allow them to impose certain regulations such as hours of operation and zoning restrictions.
- Use tax revenue to fund law enforcement training to identify drug-impaired driving.
- Ban on marijuana ads on television, radio, and mobile devices.
- Ensure that all cannabis products are clearly labeled to reflect accurate dosing and maintain strong testing standards.
- Legal cannabis would be treated like alcohol when it comes to the workplace, which requires workers to demonstrate that a long period of time separates intoxication and job duties. Law enforcement officers and other federally-certified persons are prohibited from using cannabis products.
- A 10 percent excise tax on recreational marijuana to pay for safety and other initiatives.
- A cannabis venture fund would provide loans to low-income and small family owned businesses to start marijuana businesses and provide cannabis-industry training at community colleges.
- Prohibit the growing of marijuana at home without a specialized medical authorization.
- The task force endorsed automatic expungement of past cannabis possession convictions.
- Maintain and enhance the medical cannabis program with conditions that licensees must serve medical patients first before adult use users when cannabis supplies run short.
- Use revenue to support housing, job training, and education programs statewide.
- Set low fees for “micro business” licenses so that small family farms and entrepreneurs can enter the market.
- Study the demographics of the industry to ensure equity.
- Set aside funds for local jurisdictions to use revenue in the manner they see fit.
- Impose a tax rate that's no more than 20 percent.
- Impose penalties for selling cannabis to minors, consuming in a vehicle, and any other unlicensed sales.



As of August 2019 a new law went into effect that limits the state's 35 medical marijuana providers to 1,750 mature plants. This legislation replaced previous guidelines that allowed 2,500 plants per provider.

The illegal trafficking of THC vape cartridges are at an all-time high in New Mexico as they are increasingly being found during the course of traffic stops. Authorities in New Mexico and across the nation are reporting cases of lung-related illness from vaping of liquid THC. The THC vape cartridges are coming from legalized marijuana states as well as from Mexico. There have been multiple reported seizures of cartridges and THC vape oil that have originated in Mexico. This is very concerning as there are no regulations in Mexico when it comes to THC oil and counterfeit vape cartridges, which are more than likely being trafficked on the “black market” in the United States. Vape cartridges, especially those purchased in the black market, may unknowingly be laced with other drugs and/or contaminants. Health officials advise illnesses may be related to additives and contaminants found in second-hand cartridges. These same cartridges could be falsely labeled as well. In Mississippi, officials have reported they have identified liquid spice (synthetic marijuana) and fentanyl in seized cartridges.

New Mexico Marijuana Seizures



SOURCE: NM HIDTA PMP database as of 11/25/2019



Ever since medical marijuana legalization in New Mexico, law enforcement has seized less marijuana in quantity. In 2016, 13,687 kilograms of marijuana was seized as compared to just 3,399 kilograms in 2019 (As of November 25). This is more than a 75 percent decrease in quantity seized. It should be noted that an additional 8,930 dosage units (DU) of marijuana was seized in 2019 and 232 dosage units in 2018. Per federal guidelines, DU's are used to count THC vape cartridges with one cartridge being one dosage/drug unit. The types of marijuana seized include hash, marijuana, high grade marijuana (hydroponic), liquid THC, THC resin, and marijuana plants. The marijuana was found in various forms to include plant, edibles, and liquid/oil (i.e. vape cartridges, etc.).

Diversion of Marijuana in New Mexico

New Mexico has seen more than its fair share of marijuana that is being diverted from states such as Colorado, California, and Nevada. Colorado is the only state bordering New Mexico that has legalized recreational marijuana. Texas has become increasingly concerned with the talk of New Mexico marijuana legalization as it will have an impact on their state if this were to occur. Legalization impacts surrounding jurisdictions, leading to an increase in marijuana possession arrests in these border cities.

Diversion is an inevitable result of the legal market. In 2016, recreational consumers in Colorado bought more than \$1.3 billion worth of legal cannabis and Oregon recorded \$250 million worth of sales. The sales in Oregon are not anywhere close to all of the marijuana that growers produce based on the numbers available. There is a huge gap leading law enforcement to believe that Oregon marijuana growers produce an excess of over 132 tons of marijuana. This excess marijuana isn't thrown away, but is believed to be diverted out of state.

A state that has chosen not to legalize should not be forced to carry the costs of enforcement or consequences simply because a neighboring state made that decision. Thus far in 2019, New Mexico law enforcement have seized 3,468 kilograms of marijuana of which 825 kilograms was high grade marijuana. Also seized in 2019 was 8,930 dosage/drug units of marijuana in the form of THC vape cartridges. A majority of the high grade marijuana seized in New Mexico is from other states like Colorado, California, and Oregon and was merely passing through the state headed to another destination when it was interdicted.



Marijuana Legalization and the Black Market

It is a known fact in legalized states that drug trafficking organizations are setting up grow operations in legalized states to continue their push of marijuana on the “black market.” These criminal organizations know that they can grow cannabis in legalized states and that they can sell it in not only that state, but non-legalized states as well for a significant profit without having to smuggle it internationally. Legalized states are counting on tax revenue and competitive legal-marijuana pricing to drive out unlicensed players. However, the data continues to argue otherwise. These criminal organizations operating in the black market do not have to buy cultivation permits or pay tax revenue to the state or local government, therefore increasing their profit margins. Illegal cannabis will always be 20 to 25 percent cheaper than legal cannabis, giving the black market the advantage.

The Rocky Mountain HIDTA reported that Colorado Drug Task Forces have conducted 257 investigations of black market marijuana, which has resulted in 192 felony arrests, 6.08 tons of marijuana seized, and the seizure of 60,091 marijuana plants in 2018.

Marijuana Use and Workplace Safety

A real concern is the impact of marijuana use when it comes to workplace safety and productivity. The number of people using marijuana in New Mexico is rising rapidly and the impact of this increase is showing up at places of employment. Employers have good reason to enforce a strict substance abuse policy that includes a ban on marijuana for safety concerns of all employees as marijuana use has been linked to an increase in job accidents and injuries in other legalized states. Increased accidents lead to increased litigation costs, which could prove to be very costly. Employers must have a clear policy in place prohibiting employees from being impaired by marijuana (i.e. medical or recreational), which can provide direction for supervisors and employees making it clear that an activity which is legal under state law may not prevent them from losing their job. In New Mexico, the courts have already ruled that employers do not need to accommodate medical marijuana use under the New Mexico Human Rights Act (NMHRA).

An analysis of more than 10 million workplace drug test results, showed increases in marijuana positivity rates across nearly all employee testing categories. Increases of “post-accident” positive tests outpace all other reasons for employee testing, including

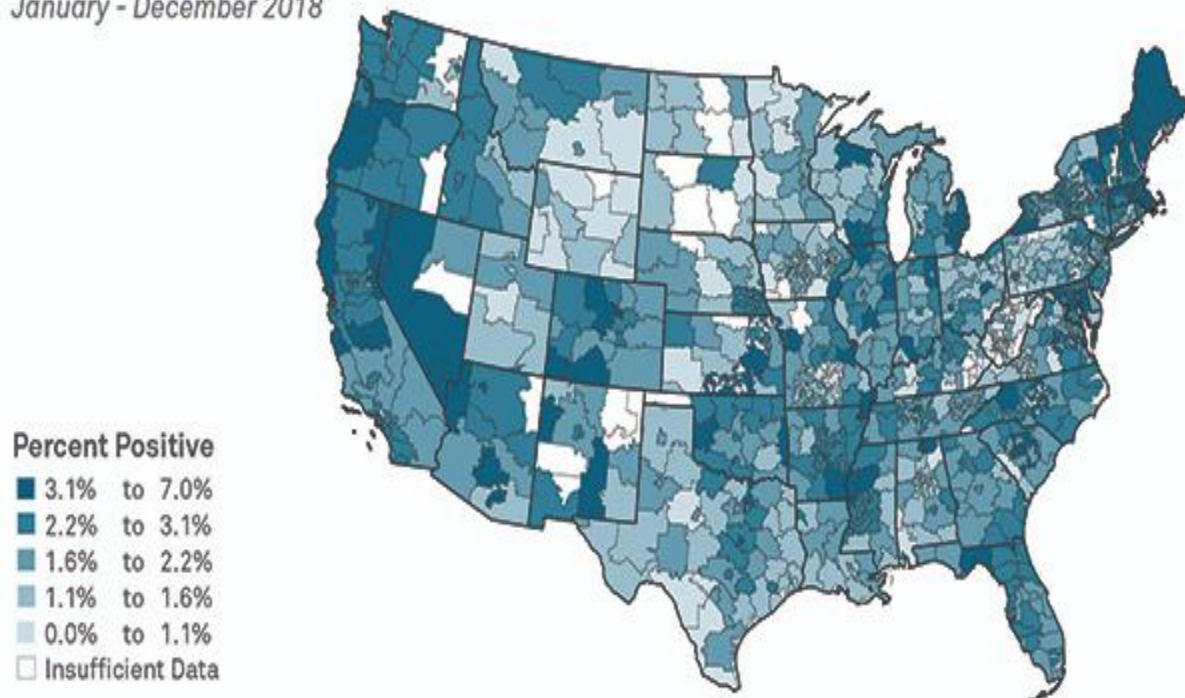


pre-employment screening. Quest Diagnostics reports positive tests hit a 14 year high in 2018 (Quest Diagnostics, 2019).



Urine Drug Tests

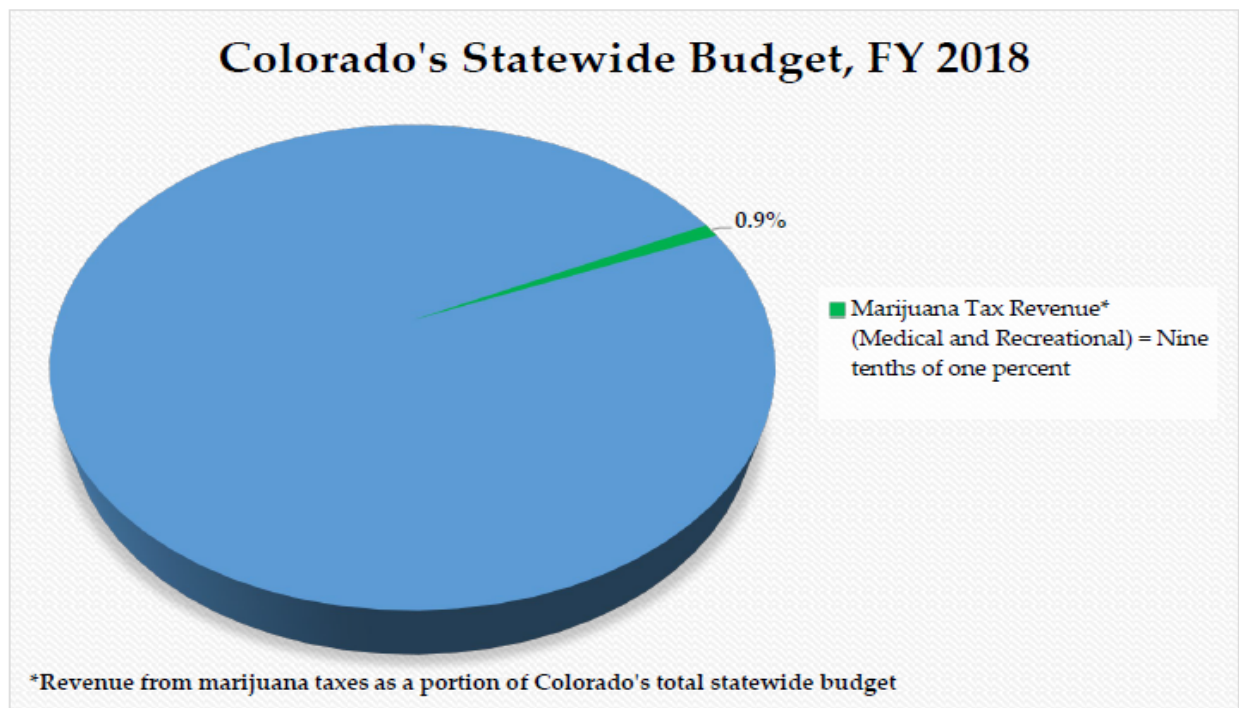
January - December 2018



Marijuana Legalization and Taxation

An independent economist hired by the State of New Mexico has estimated that the state would gain 11,000 jobs and sales would reach \$620 million by the fifth year of legalization's implementation. The combined estimated tax revenue from medical and recreational cannabis sales would be \$100 million annually. While this may be true, the state must consider all the issues in totality to determine if the risk is worth the benefit. The negative public health risks associated with marijuana use being one of the biggest considerations.

According to Pat Davis, a member of the Governor's work group on recreational marijuana, tax revenue from recreational sales will be more than \$60 million in the first year. Much of the revenue would go toward law enforcement programs and nearly half would go toward public health programs including DUI (Driving Under the Influence) prevention, housing, and education. The governors working group is proposing limiting state and local taxes on recreational marijuana to about 17 percent and licensing producers for as little as \$500 a month plus additional per-plant fees. Another recommendation would make medical marijuana tax-free.



SOURCE: Governor's Office of State Planning and Budgeting



Banking in the Cannabis Industry

The cannabis industry has limited access to the banking system as a result of marijuana being classified as a schedule one substance and is considered illegal at the federal level. This limited access makes it difficult to regulate and tax with any accuracy the marijuana businesses. A 2017 audit in Sacramento, California found that some dispensaries there were not sharing proper receipts or were filing inaccurate or misleading financial statements, which led to an estimated tax revenue loss of \$9 million annually. This dwarfs the \$5 million that Sacramento actually collects from fees and taxes on annual reported marijuana sales. With limited banking, the cannabis industry is primarily a cash-intensive market, which can be problematic leading to security concerns, currency problems (i.e. cash hoarding), and the potential for money laundering.

In some legalized states like Colorado, several of the state's cannabis businesses are working with financial institutions with close scrutiny by federal regulators. Most of the financial institutions are secretive about their business relationships with companies that grow and sell marijuana legally and limit the number of customers they will take on while requiring them to sign non-disclosure agreements. Banks that want to work with legal cannabis businesses and meet regulatory compliance do so under guidance provided in 2014 by the U.S. Treasury Department's Financial Crimes and Enforcement Network. However, this guidance does not shield banks from criminal liability. If this guidance was rescinded, the financial institution could be subject to fines as they are technically laundering money from cannabis businesses.

Lessons Learned

In Colorado, the percentage of traffic fatalities that involved marijuana-impaired drivers increased by 86 percent between 2013 and 2017 (Smart Approaches to Marijuana, 2019). Since recreational marijuana was legalized in Colorado, traffic deaths in which drivers tested positive for marijuana increased 109 percent while all Colorado traffic deaths increased 31 percent.

In states that have legalized marijuana, between 2017 and 2018 the percentage of 8th and 10th graders who report "vaping" marijuana has increased 63 percent (Smart Approaches to Marijuana, 2019). Over the same timeframe, the percent of 12th graders who report vaping marijuana has increased 53 percent according to the same report.



In Colorado, past month marijuana use for ages 12 and older increased 58 percent and is 78 percent higher than the national average. Adult marijuana use increased 94 percent and is 96 percent higher than the national average.

2019 Colorado toxicology reports show the percentage of adolescent suicide victims testing positive for marijuana continues to increase. From 2014-2016, 22.4 percent of suicide victims between the ages of 10 to 19 tested positive for marijuana as compared to 9.3 percent for alcohol. In two studies of Colorado youth in outpatient substance abuse treatment facilities, approximately one half to three quarters reported using diverted marijuana.

In Washington D.C., between 2015 and 2017 (years following legalization), total marijuana related arrests have decreased, but distribution and public consumption arrests have more than tripled (Smart Approaches to Marijuana, 2019).

In Colorado, since legalization the total marijuana related exposure calls to poison control centers have more than doubled. According to Colorado Department of Public Health and Environment, the most significant increase (230 percent) is among children 0-8 years old as a result of unintentional exposure. In the year immediately following recreational marijuana legalization in Colorado, calls to poison centers increased by 80 percent. In Oregon, marijuana related cases reported to the Oregon Poison Center for children under five years old increased 272 percent from 2014 to 2017. In Colorado, the annual rate of marijuana related emergency department visits increased by 62 percent from 2012 to 2017.

In California, a report published by the California Department of Food and Agriculture found the state produced 15.5 million pounds of marijuana in 2018, but only consumed 2.5 million pounds. Legal production is much higher than legal consumption, likely the result of legal marijuana being sold for higher prices on the “black market” in non-legalized states.

California’s projected marijuana tax revenue through July 2019 is nearly half of what was originally expected when the state began retail sales in 2018. In Colorado, marijuana tax revenue represents approximately nine tenths of one percent of the state’s Fiscal Year 2018 budget.

California’s black market for cannabis is at least three times the size of its regulated marijuana industry according to a September 11th article by the Los Angeles Times. The audit found approximately 2,835 unlicensed dispensaries and delivery services operating in California. By comparison, only 873 cannabis sellers in the state were licensed. An industry-backed financial audit projected that roughly \$8.7 billion will be spent on unregulated cannabis products in California in 2019, compared with just \$3.1 billion spent on cannabis sold by legal businesses.



The average number of highway seizures of Colorado marijuana has increased 39 percent since legalization according to Rocky Mountain HIDTA statistics in 2018.

Colorado Bureau of Investigation reported an 8.2 percent increase in violent crimes and a 5.3 percent increase in property crimes between 2015 and 2016. Violent crime in Colorado rose 8.4 percent in 2017 as compared to 2016. In 2018, violent crime in Colorado rose by 7.95 percent compared with 2017, showing an upward trend. However, property crimes decreased 1.8 percent in 2017 as compared to 2016. A study funded by the National Institute of Health showed that the density of marijuana dispensaries was linked to increased property crimes in nearby areas.

In Colorado, 64 percent of local jurisdictions have banned medical and recreational marijuana businesses.

According to Quest Diagnostics data, between 2016 and 2017 positive test rates for marijuana use in the workforce increased 43 percent in Nevada, 14 percent in Massachusetts, and 11 percent in California. These rates in all “legal” states with the exception of Alaska, are above the national average.

States with legal recreational marijuana are applying for federal funds for numerous areas impacted by increased access to marijuana including:

- Law enforcement training to identify drug-impaired driving.
- Overtime for drug-impaired driving enforcement.
- Phlebotomy technicians to draw blood samples from suspected impaired drivers.
- Drug toxicology personnel, equipment, and facilities for drug testing purposes.
- Judge and prosecutor training on drug-impaired driving.
- Public outreach on the dangers of drug-impaired driving.

Conclusion

The world is being reconfigured as a result of marijuana legalization, which has drastically changed marijuana’s image and availability to the general public. Parents are having to speak with their teenagers as a result of the proliferation of the industry. Many states have Drug Abuse Resistance Education (DARE) programs that teach young children that drugs are bad. While the program teaches drugs are bad to include marijuana, some students may question why stores are now selling marijuana and that it is now legal in some states. Some have said that “marijuana is becoming too normal.”



When dealing with the addiction and overdose crisis facing the U.S., policymakers should make decisions that have a strong scientific justification. Much more research is needed on marijuana overall, and any efforts to increase access to legalized marijuana should be considered with caution until the facts are known without question. The U.S. and New Mexico legislators are far from achieving this.

The Mexican Military and State Police recently located and destroyed 14 marijuana plantations in Sierra de Ensenada in Mexico. The plantations had a total of 243,336 marijuana plants. According to the Mexican Military and State Police, the marijuana produced in this region has the U.S. as its destination. The “black market” still thrives despite legalization of recreational use marijuana, medicinal marijuana, and the regulations put into place. The cost of illegal marijuana is minimal and the profit is large as compared to marijuana that is produced legally in the U.S., which is regulated, taxed, and controlled.

The choice to move toward recreational cannabis legalization is one of huge magnitude. It is the hope of Southwest Border HIDTA – New Mexico Region that this report has provided valuable information to assist in the process. Further legalization of marijuana may not be the best public health or public safety strategy for New Mexico. The lack of scientific research has resulted in the lack of information on the health implications of cannabis use, which is a significant public health concern. Legislators and public health officials have a responsibility to not allow industry influence as the vulnerable populations are a real concern in the state. The focus should be on comprehensive public health campaigns regarding the dangers of marijuana use. The citizens of New Mexico deserve nothing less.



Marijuana Label Warning Requirements

State	Vehicle Operation Warning	Age Restriction (21+) Warning	Pregnancy / Breastfeeding Warning	Delayed Onset of Effects Warning	Habit-Forming Warning	Illegal Outside of State Warning	Keep Away from Child / Pet Warning
Alaska	Y	Y	Y	N	Y	N	Y
California	Y	Y	Y	Y	N	N	Y
Colorado	Y	Y	Y	Y	N	Y	Y
Maine*	-	-	-	-	-	-	-
Massachusetts	Y	Y	Y	Y	Y	Y	Y
Michigan**	-	-	-	-	-	-	-
Nevada	Y	N	Y	Y	Y	Y	Y
Oregon	Y	Y	N	Y	N	N	Y
Vermont***	-	-	-	-	-	-	-
Washington	Y	N	N	Y	Y	Y	N
<p>*Maine requires warning labels but does not specify label requirements.</p> <p>**Label requirements were not found for Michigan.</p> <p>***Label requirements are not required in Vermont, due to no current retail sales of marijuana. Labeling requirements may be enacted per the recommendations of the Governor's Marijuana Advisory Commission.</p>							

SOURCE: American Transportation Research Institute (ATRI)

Marijuana Label Driving and Machinery Warning

State	Driving and Machinery Warning
Alaska	"Marijuana impairs concentration, coordination, and judgment. Do not operate a vehicle or machinery under its influence."
California	"Consumption of cannabis products impairs your ability to drive and operate machinery. Please use extreme caution."
Colorado	"Do not drive a motor vehicle or operate heavy machinery while using marijuana."
Massachusetts	"It is against the law to drive or operate machinery when under the influence of this product." Or "Marijuana can impair concentration, coordination and judgment. Do not operate a vehicle or machinery under the influence of this drug."
Nevada*	"Marijuana or marijuana products can impair concentration, coordination and judgment. Do not operate a vehicle or machinery under the influence of this marijuana or marijuana products."
Oregon	"Do not drive a motor vehicle while under the influence of marijuana."
Washington	"It is illegal to operate a motor vehicle while under the influence of marijuana"
*Written notification provided to customer at time of purchase.	

SOURCE: American Transportation Research Institute (ATRI)



NEW MEXICO MARIJUANA LAWS AND PENALTIES

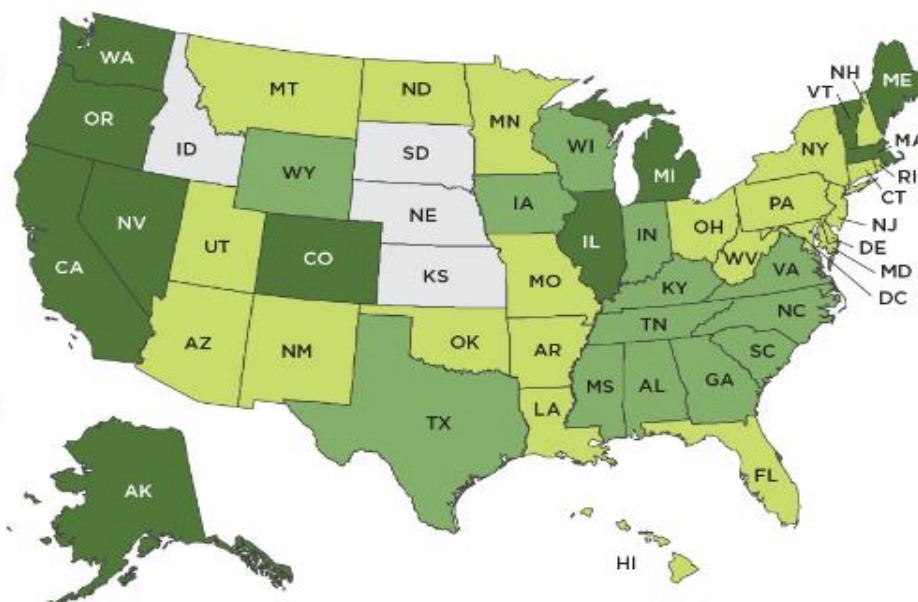
Offense	Penalty	Incarceration	Max. Fine
Possession			
Up to 1/2 oz	None	None	\$ 50
More than 1/2 oz and up to 1 oz (first offense)	Misdemeanor	15 days	\$ 100
More than 1/2 oz and up to 1 oz (second offense)	Misdemeanor	1 year	\$ 1,000
More than 1 oz and up to 8 oz	Misdemeanor	1 year	\$ 1,000
8 oz or more	Felony	1.5 years	\$ 5,000
Distribution			
100 lbs or less (first offense)	Felony	1.5 years	\$ 5,000
Less than 100 lbs or less (second offense)	Felony	3 years	\$ 5,000
100 lbs or more (first offense)	Felony	3 years	\$ 5,000
100 lbs or more (second offense)	Felony	9 years	\$ 10,000
To a minor (first offense)	Felony	3 years	\$ 5,000
To a minor (second offense)	Felony	9 years	\$ 10,000
Within a drug-free school zone	Felony	18 years	\$ 15,000
Includes possession with the intent to distribute			
If no payment, exchange of small amount of marijuana is treated as possession only.			
Cultivation			
Any amount (first offense)	Felony	9 years	\$ 10,000
Any amount (second offense)	Felony	18 years	\$ 15,000
Within a drug-free school zone	Felony	18 years	\$ 15,000
Hash & Concentrates			
Possession	Misdemeanor	1 year	\$ 1,000
Distributing or possessing with intent to distribute	Felony	3 years	\$ 5,000
Subsequent convictions or within 1,000 feet of non-secondary school carries increased incarceration and fines.			
Paraphernalia			
Possession of paraphernalia	None	None	\$ 50
Distribution of paraphernalia to a minor	Felony	1.5 years	\$ 5,000



FEDERAL TRAFFICKING PENALTIES—MARIJUANA

DRUG	QUANTITY	1st OFFENSE	2nd OFFENSE *
Marijuana (Schedule I)	1,000 kg or more marijuana mixture; or 1,000 or more marijuana plants	Not less than 10 yrs. or more than life. If death or serious bodily injury, not less than 20 yrs., or more than life. Fine not more than \$10 million if an individual, \$50 million if other than an individual.	Not less than 20 yrs. or more than life. If death or serious bodily injury, life imprisonment. Fine not more than \$20 million if an individual, \$75 million if other than an individual.
Marijuana (Schedule I)	100 kg to 999 kg marijuana mixture; or 100 to 999 marijuana plants	Not less than 5 yrs. or more than 40 yrs. If death or serious bodily injury, not less than 20 yrs. or more than life. Fine not more than \$5 million if an individual, \$25 million if other than an individual.	Not less than 10 yrs. or more than life. If death or serious bodily injury, life imprisonment. Fine not more than \$20 million if an individual, \$75million if other than an individual.
Marijuana (Schedule I)	More than 10 kgs hashish; 50 to 99 kg marijuana mixture More than 1 kg of hashish oil; 50 to 99 marijuana plants	Not more than 20 yrs. If death or serious bodily injury, not less than 20 yrs. or more than life. Fine \$1 million if an individual, \$5 million if other than an individual.	Not more than 30 yrs. If death or serious bodily injury, life imprisonment. Fine \$2 million if an individual, \$10 million if other than an individual.
Marijuana (Schedule I)	Less than 50 kilograms marijuana (but does not include 50 or more marijuana plants regardless of weight) 1 to 49 marijuana plants;	Not more than 5 yrs. Fine not more than \$250,000, \$1 million if other than an individual.	Not more than 10 yrs. Fine \$500,000 if an individual, \$2 million if other than individual.

Current marijuana laws by state



SOURCE: AARP Article 9/3/19



Methodology

The New Mexico Region of the Southwest Border HIDTA publishes periodic reports on emerging trends and significant events to keep the criminal justice community informed. This report is one of a series discussing the impact and consequences of Cannabis Legalization in New Mexico.

This assessment is based on a detailed analysis of public source information, information obtained from interviews with law enforcement officials from the regional task forces, interviews of medical professionals, and other sources of information at the federal, state, and local levels.

There are no legal opinions rendered in this report. The Southwest Border HIDTA - New Mexico Region Director's Office would like to thank everyone who provided information that assisted with the creation of this document.



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