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The City of New York Manhattan Community Board 8

HEALTH, SENIORS & SOCIAL SERVICES COMMITTEE

New York Blood Center
310 East 67th Street (First-Second)
Auditorium
Tuesday, May 26, 2015
6:30PM

Committee Members Present: Jacqueline Ludorf

Committee Members Excused: Lorraine Johnson, David Liston, Ellen Polivy, Hattie Quarnstrom-Figueroa,

Barbara Rudder

Community Board 8 Members Present: Zoe Markowitz, Glen Pandolfino, David Rosenstein

Public Members Present: Jeffrey Ascherman

1. Discussion on Sen. Liz Krueger's Marijuana Tax and Regulate Bill

Sen. Liz Krueger first introduced The Marijuana Regulation and Taxation Act (S.1747/A.3089-A) in 2013 and reintroduced with amendments at the beginning of the 2015 session, where it was referred to the Finance Committee. The Assembly version of the bill is carried by Assembly Member Crystal Peoples Stokes and is currently in the Assembly Codes Committee.

Sen. Krueger's aide, Patrick Madigan, provided the committee with an overview of the bill, acknowledging that it was unlikely to move quickly through the state legislature but he presented a persuasive argument, supported by extensive research, that the present criminalization of possession of marijuana has had a catastrophic impact on inner city youth and young adults.

He cited, among others, the widely noted research by Harry G. Levine, Ph.D., Professor of Sociology, Queens College and the Graduate Center, CUNY, that was central to the recent review and revisions to the NYPD's Stop, Ouestion & Frisk policies.

While there were no other formal speakers — it was not a debate forum — there were no members of the public who actively opposed it, though one physician expressed concern that any smoked product was going to present health concerns. It should be noted there were less than 20 attendees so it was far from a community consensus. Those who did speak supported changes ranging from expansion of medical marijuana to total decriminalization.

One attendee, Mr. Jack A. Cole, identified himself as a retired state trooper representing Law Enforcement Against Prohibition. Others were from an advocacy group supporting legalization of cannabis.

After some discussion, the five CB8M members present agreed that, given this bill had little chance of passage in the near future and would be revised repeatedly in the sessions to come if it is allowed to be discussed at all in the NYS legislature, and that the present prohibition and uncertain rollout of medical marijuana in New York State, this bill at least presented a vehicle to get Albany to begin a discussion of marijuana regulation, one that is taking place across the nation's state legislatures.

Resolution:

Whereas the Marijuana Regulation and Taxation Act (S.1747/A.3089-A), introduced by Sen. Liz Krueger, which would legalize, regulate and tax marijuana under state law along lines similar to the state's current system regulating alcohol, as well as the legalization models being implemented in Colorado and Washington, is presently in the NYS Senate's Finance Committee and the NYS Assembly's Codes Committee respectively; and

Whereas cannabis (marijuana) is categorized under Title 21 United States Code (USC) Controlled Substances Act ("CSA"), as a Schedule I drug, one with no currently accepted medical use and a high potential for abuse — Schedule I drugs are the most dangerous drugs of all the drug schedules with potentially severe psychological or physical dependence —; and

Whereas this Schedule I status under the CSA severely limits medical research into both risks and benefits of cannabis use and abuse; and

Whereas this federal restriction is unlikely to change in the near future absent significant upward pressure from state legislatures, of which 23 have enacted some expansion of cannabis use; and

Whereas the federal code's criteria for Schedule I status of cannabis is being increasingly challenged by medical researchers and clinicians as well as legal, correctional and criminal justice professionals concerned about the impact of arrests for marijuana possession on young men, particularly African-American and Hispanic inner city males and the overall U.S. prison population, one of the highest per capita in the world; and

Whereas the proposed legislation at least provides an opportunity for the New York State legislature to begin what is likely to be a lengthy exploration of how the State of New York will ultimately address the issue of medical and recreational use of cannabis;

Therefore be it resolved that Community Board #8 Manhattan urges its elected officials to support the Senate Finance and Assembly Codes Committee's consideration of the Marijuana Regulation and Taxation Act (S.1747/A.3089-A) so that the full Senate and Assembly may begin a serious discussion of this matter.

Vote: 4-0-0 In Favor - Ascherman, Ludorf, Pandolfino, and Rosenstein

David Liston and Jackie Ludorf Co-Chairs, Health, Seniors, and Social Services Committee

OVERVIEW -

The Marijuana Regulation and Taxation Act (S.1747/A.3089-A) would legalize, regulate and tax marijuana under state law along lines similar to the state's current system regulating alcohol, as well as the legalization models being implemented in Colorado and Washington. Senator Krueger first introduced the bill in 2013 and reintroduced with amendments at the beginning of the 2015 session, where it was referred to the Finance Committee. The Assembly version of the bill is carried by Assemblymember Crystal Peoples Stokes and is currently in the Assembly Codes Committee.

BILL DETAILS -

The MRTA 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 by persons 18 or over;
- 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;

- Subjects all public facilities to the same anti-smoking requirements established by the Clean Indoor Air Act;
- Establishes an excise tax of fifteen percent of price at time of transfer, plus a fixed amount depending on the form of the marijuana, and allows localities the option of imposing an additional five percent sales tax on retail sales; and
- Directs a portion of the state tax revenue collected to be directed to reentry programs, substance abuse programs, and job training programs in low-income, high unemployment communities.

WHY LEGALIZE? -

- Legalization will put an end to discriminatory drug enforcement policies that disproportionately impact African American and Latino communities. The so-called "War on Drugs," while failing to substantially impact marijuana use, has been heavily racialized. The National Survey of Drug Abuse and Health shows African Americans and Whites use marijuana at similar rates, and that whites ages 18-25 are actually more likely to use marijuana than African Americans or Latinos of the same age. Yet nationwide, African Americans are nearly 4 times more likely to be arrested for marijuana possession than whites. According to the Drug Policy Alliance, in New York City in the first eight months of 2014, 86% of the people arrested for marijuana possession were African Americans and Latinos; African Americans were arrested for marijuana possession at 7 times the rate of whites, and Latinos at nearly 4 times the rate of whites. Our current unjust laws are branding nonviolent New Yorkers, especially young adults and people of color, as criminals, creating a vicious cycle that ruins lives and needlessly wastes taxpayer dollars.
- Limited law enforcement resources can and should be better used elsewhere. 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 the state. Data from the first eight months of

2014 suggests the NYPD was on track to make around 30,000 marijuana arrests last year. \$678.5 million was spent statewide in 2010 arresting and jailing mostly young people for possessing small amounts of marijuana, often giving first-time, non-violent offenders an extraneous criminal record (74% of the people arrested for marijuana possession in 2014 have never been convicted of a crime). The sheer volume of arrests shows just how gross a waste of city and state resources the current policy has become — we're wasting taxpayer dollars to ruin lives.

- Legalization will take the market away from criminal enterprises, as happened when alcohol prohibition ended in 1933. Current law has not been able to make a significant dent in the sale of marijuana in the United States, but it has contributed to the growth of domestic and international criminal organizations that thrive on the illegal drug trade. Legalization and regulation is a practical alternative whose time has come, even from the perspective of those who would otherwise prefer marijuana to remain illegal.
- Legalizing and taxing marijuana sales would provide additional revenue for the state, as well as economic development opportunities. Analyses vary, but the upper range of estimates suggests a direct benefit to the state of \$764 million in tax revenue, and indirect benefits and savings of approximately \$1 billion. The New York State marijuana market could represent as much as a \$3 billion industry and lead to the creation of 25,000 new jobs.

CHANCES OF PASSAGE -

Chances of passage in the current session are small. However, the same could have been said a few years ago for limited medical marijuana legislation that has now become law after passing both legislative houses last year. It is time to push the envelope and recognize the fundamental flaw in a marijuana policy based on the concept of prohibition. It is important to have this debate and to use continued discussion as an opportunity to hone legislation, as well as learning from the experiences of other states that have adopted marijuana tax and regulation systems. That

way, when the climate is right pass a bill, we have the building blocks for a successful tax and regulate system.

Manhattan Community Board 8 Attendance Sign In Sheet Health, Seniors, and Social Services Committee

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