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Clearing the Air: Learning from Other States' Medical Marijuana Laws *Lessons Found on Recreational Legalization, Taxation, Medical Conditions*

Outcomes in states that have legalized medical marijuana contradict at least some points made by both advocates and opponents of the move in Wisconsin, according to a new report from the independent, nonpartisan Wisconsin Policy Forum.

The report finds that almost all states that have progressed from legalizing medical marijuana to recreational use have done so through ballot initiative, a mechanism that cannot be used in Wisconsin. That finding may help allay the concerns of some who fear passage of medical marijuana would rapidly result in full legalization of the drug in this state.

At the same time, if Wisconsin policymakers were to legalize medical marijuana, revenue from potential taxation of the drug is unlikely to make a large impact on state finances, the report finds. Together, the observations suggest Wisconsin leaders should debate medical marijuana on its own merits, instead of in the context of other aims or concerns.

These insights are from the Forum's report, "*Clearing the Air: What Can Wisconsin Learn From Medical Marijuana Laws in Other States?*" It examines the swiftly changing national landscape on marijuana policy, in which 33 states and the District of Columbia have now legalized the drug for medical or recreational use. The report also compares pending medical marijuana legislation in Wisconsin with the approaches used in other states.

The trend has arrived at Wisconsin's borders: Illinois and Michigan have legalized marijuana for recreational use and Minnesota has done so for medical purposes.

In Wisconsin, Gov. Tony Evers proposed legalizing medical marijuana in his 2019-21 state budget. The Speaker of the state Assembly, Robin Vos, also has shown openness to passage of a limited medical marijuana law, while state Senate Majority Leader Scott Fitzgerald opposes it.

"Wisconsin now stands at a crossroads, with some state leaders in both parties signaling interest in a potential medical marijuana law here," the report says. "With this report, the Wisconsin Policy Forum seeks to inform our state's debate by analyzing how other states have implemented legalized medical marijuana."

Recreational pot via legislation is uncommon

Medical marijuana opponents have said it could lead to a much broader legalization for recreational use. Our research finds little precedent for this in other states similar to Wisconsin, where legalization may only occur through legislation rather than popular referendum.

Among states with similar legalization mechanisms, Illinois is the only other state to adopt medical marijuana and then go on to legalize it recreationally for sale and use, our research finds. Fourteen other states in this category that adopted medical marijuana have not advanced to recreational legalization. Vermont legalized medical marijuana and then decriminalized possession of small amounts of marijuana for recreational use, but has not permitted retail sale of the drug.

This contrasts with the picture in the 17 states that initially passed a medical bill through ballot initiative – a process the Wisconsin Constitution does not permit. Of those states, nine have gone on to legalize marijuana for recreational use.

Medical conditions key, regulation and taxation vary

Our analysis shows the health conditions included in states' medical marijuana laws can strongly influence the extent of participation in the program. In particular, in a few states we studied, we found a few medical conditions stood out as representing a significant portion of registered patients: chronic pain and post-traumatic stress disorder, as well as certain symptoms related to cancer treatment.

The ability of those eligible to access medical marijuana also affects its sale and use. Some states require individuals to pay fees ranging from \$25 to \$200 to be placed on registries, although many also provide waivers or reductions for low-income or disadvantaged individuals. States also differ in the number of dispensaries they allow and in whether they give municipalities the ability to block dispensaries in their jurisdictions.

States' approaches to taxing medical marijuana vary widely, from taxing it at a 37% rate to not taxing it at all. While many states do not publish figures on tax revenue derived specifically from medical marijuana, insights can be gained from a few states that do.

Among those examined in our report, we find most states are collecting \$10 million or less in annual revenue from taxing medical marijuana. This would not make a significant impact on a state budget with annual spending of more than \$18 billion from the state's general fund alone.

"For those hoping that legalization of medical marijuana will produce a windfall for state tax coffers, that hope should be tempered by the relatively low volume of sales expected from a medical program and the recognition that high taxes are arguably less justifiable for a substance used for medical purposes," the report says.

[Go here to read our new report](#), "*Clearing the Air: What Can Wisconsin Learn From Medical Marijuana Laws in Other States?*"