This file contains the following articles, all of which are required readings:

- McNichol, “Is Marijuana the Answer to California’s Budget Woes” *Time*, July 24, 2009
Could marijuana be the answer to the economic misery facing California? Democratic state assemblyman Tom Ammiano thinks so. Ammiano introduced legislation last month that would legalize pot and allow the state to regulate and tax its sale — a move that could mean billions of dollars for the cash-strapped state. Pot is, after all, California's biggest cash crop, responsible for $14 billion a year in sales, dwarfing the state's second largest agricultural commodity — milk and cream — which brings in $7.3 billion a year, according to the most recent USDA statistics. The state's tax collectors estimate the bill would bring in about $1.3 billion a year in much needed revenue, offsetting some of the billions of dollars in service cuts and spending reductions outlined in the recently approved state budget.

"The state of California is in a very, very precipitous economic plight. It's in the toilet," says Ammiano. "It looks very, very bleak, with layoffs and foreclosures, and schools closing or trying to operate four days a week. We have one of the highest rates of unemployment we've ever had. With any revenue ideas, people say you have to think outside the box, you have to be creative, and I feel that the issue of the decriminalization, regulation and taxation of marijuana fits that bill. It's not new, the idea has been around, and the political will may in fact be there to make something happen." (See pictures of stoner cinema.)

Ammiano may be right. A few days after he introduced the bill, U.S. Attorney General Eric Holder announced that states should be able to make their own rules for medical marijuana and that federal raids on pot dispensaries in California would cease. The move signaled a softening of the hard-line approach to medicinal pot use previous Administrations have taken. The nomination of Gil Kerlikowske as the head of the Office of National Drug Control Policy may also signal a softer federal line on marijuana. If he is confirmed as the so-called drug czar, Kerlikowske will take with him experience as police chief of Seattle, where he made it clear that going after people for possessing marijuana was not a priority for his force. (See a story about the grass-roots marijuana war in California.)
In 1996 California became one of the first states in the nation to legalize medical marijuana. Currently, $200 million in medical-marijuana sales are subject to sales tax. If passed, the Marijuana Control, Regulation and Education Act (AB 390) would give California control of pot in a manner similar to that of alcohol while prohibiting its purchase by citizens under age 21. (The bill has been referred to the California state assembly’s public-safety and health committees; Ammiano says it could take up to a year before it comes to a vote for passage.) State revenues would be derived from a $50-per-oz. levy on retail sales of marijuana and sales taxes. By adopting the law, California could become a model for other states. As Ammiano put it, "How California goes, the country goes."

Despite the need for the projected revenue, opponents say legalizing pot would only add to social woes. "The last thing we need is yet another mind-altering substance to be legalized," says John Lovell, lobbyist for the California Peace Officers' Association. "We have enough problems with alcohol and abuse of pharmaceutical products. Do we really need to add yet another mind-altering substance to the array?" Lovell says the easy availability of the drug would lead to a surge in its use, much as happened when alcohol was allowed to be sold in venues other than liquor stores in some states. (Read why Dr. Sanjay Gupta is against decriminalizing pot.)

Joel W. Hay, professor of pharmaceutical economics at USC, also foresees harm if the bill passes. "Marijuana is a drug that clouds people’s judgment. It affects their ability to concentrate and react, and it certainly has impacts on third parties," says Hay, who has written on the societal costs of drug abuse. "It’s one more drug that will add to the toll on society. All we have to do is look at the two legalized drugs, tobacco and alcohol, and look at the carnage that they’ve caused. [Marijuana] is a dangerous drug, and it causes bad outcomes for both the people who use it and for the people who are in their way at work or other activities." He adds, "There are probably some responsible people who can handle marijuana, but there are lots of people who can’t, and it has an enormous negative impact on them, their family and loved ones." (See pictures of Mexico’s drug wars.)

In response, retired Orange County Superior Court Judge James Gray, a longtime proponent of legalization, estimates that legalizing pot and thus ceasing to arrest, prosecute and imprison nonviolent offenders could save the state $1 billion a year. "We couldn’t make this drug any more available if we tried," he says. "Not only do we have those problems, along with glamorizing it by making it illegal, but we also have the crime and corruption that go along with it." He adds, "Unfortunately, every society in the history of mankind has had some form of mind-altering, sometimes addictive substances to use, to misuse, abuse or get addicted to. Get used to it. They’re here to stay. So let’s try to reduce those harms, and right now we couldn’t do it worse if we tried."

Read "An American Pastime: Smoking Pot."

See a story discussing whether pot is good for you.
Time For Marijuana Legalization?

Andrew Cohen: Economic Crisis Spurring Politicians To Talk About Legalizing Pot

By Andrew Cohen

(Apparently, it was nothing personal after all. Apparently, it was strictly business all along.

After generations of defending capital punishment and marijuana possession laws on moral, ethical and religious grounds, after years of declaring that the death penalty acted as a deterrent against violent crime and that pot smokers were more dangerous to society than, say, alcohol consumers, all of a sudden thanks to our economic crisis more and more mainstream powerbrokers are considering dramatic changes to our criminal justice system.

The New York Times today has a late-arriving piece by Ian Urbina which posits that lawmakers in several states are considering abandoning the death penalty because it’s just too expensive and cuts into other law enforcement priorities. State officials are beginning to acknowledge that they can more productively spend their budget funds on cracking unsolved cases or ensuring better police protection than on keeping pot smokers in prison or fighting for decades with capital defendants. This, Urbina writes, is forcing a sea-change around the nation:

This trend toward releasing non-violent offenders naturally begs the question: what about legalizing marijuana possession and lowering the drinking age? A California lawmaker Monday introduced legislation that would legalize (and tax) pot there. In Colorado, as seen this past Sunday on 60 Minutes, the police chief in Boulder (which houses a raucous University of Colorado) made a compelling case for saving money by reducing the drinking age from 21. Better to have police officers tracking violent crime, the argument goes, than writing tickets for college kids who are going to drink no matter what.

These declarations, from the political and legal arena, are not just isolated voices shouting into the wilderness. Consider the late, great Milton Friedman, the Nobel Laureate, former Reagan advisor, and esteemed scholar associated with the very conservative Hoover Institution. He was among hundreds of important economists who argue that pot should be legalized and taxed - and that the income from such taxation could generate billions in new revenues and billions more in enforcement savings. If you live in California, what would you rather have? Pot smokers whose cases are tying up the legal system? Or better health care and roads thanks to a marijuana tax. I’m just asking the question—and others are too.

Friedman and his colleagues first made these arguments years ago - before the economy tanked. Is it time to take his view more seriously with states facing huge budget shortfalls that threaten to curtail vital projects and policies? It is such a great leap from releasing prisoners from prison early to save money and not sending them there at all to save more? I would suspect a survey of police officials and prosecutors, and a survey of state budget officials, would indicate that the matter is being taken more seriously today than it ever has been.

It’s not my place to advocate anything - so please don’t write and accuse me of being Cheech or Chong. All I am saying is that the economic case for legalizing marijuana, and for lower the drinking rate, is as compelling as it has ever been and that, in a time of great changes in the interaction between government and the governed, it would not be the worst thing in the world to have a serious national debate on the topic. If we are going to lower state and federal budgets for criminal justice, if we are going to be emptying our prisons anyway to save costs, let’s make sure we do it in a way that maximizes the opportunities available to us.
Proponents of marijuana legalization have advanced plenty of arguments in support of their drug of choice: marijuana is less dangerous than legal substances like cigarettes and alcohol; pot has legitimate medical uses; the money spent prosecuting marijuana offenses would be better used for more pressing public concerns.

While 13 states permit the limited sale of marijuana for medical use, and polls show a steady increase in the number of Americans who favor legalization, federal law still bans the cultivation, sale or possession of marijuana. In fact, the feds still classify marijuana as a Schedule I drug, one that has no "currently accepted medical use" in the U.S. (Watch a video on medical-marijuana home delivery.)

But supporters of legalization may have been handed their most convincing factor yet: the bummer economy. Advocates say that if state or local governments could collect a tax on even a fraction of pot sales, it would help rescue cash-strapped communities. Not surprisingly, the idea is getting traction in California, home to the nation's largest supply of domestically grown marijuana (worth an estimated $14 billion a year) and biggest state budget deficit (more than $26 billion).

On July 20, Governor Arnold Schwarzenegger and California legislative leaders reached a tentative budget agreement to plug the state's deficit, but it would involve making sweeping cuts in education and health services as well as taking billions from county governments. Democratic state assemblyman Tom Ammiano has introduced legislation that would let California regulate and tax the sale of marijuana. The state's proposed $50-per-oz. pot tax would bring in about $1.3 billion a year in additional revenue. Ammiano's bill was shelved this session, but he expects to introduce a revised bill early next year. (See TIME's photo-essay "The Great American Pot Smoke-Out.")

If the state legislature doesn't act, perhaps California voters will. One group is preparing to place a statewide initiative for the November 2010 ballot that would regulate and tax the sale of marijuana for Californians 21 years old.
of age and older. Tellingly, the group spearheading the measure calls itself TaxCannabis2010.org, stressing the revenue advantages of marijuana legalization. The group hopes to collect the required 650,000 voter signatures by January to place the measure on the ballot.

"There's no doubt that the ground is shifting on marijuana," says Ethan Nadelmann, executive director of the Drug Policy Alliance, which promotes alternatives to the war on drugs. "The discussion about regulating and taxing marijuana now has an air of legitimacy to it that it didn't quite have before. And the economy has given the issue a real turbo-charge." (Read "Can Marijuana Help Rescue California's Economy?")

The legalization effort is getting serious consideration from surprising quarters. In May, Schwarzenegger publicly called for a large-scale study to determine whether to legalize and tax marijuana.

"I think it's time for a debate," the governor said at a news conference. "I think we ought to study very carefully what other countries are doing that have legalized marijuana and other drugs." (See a TIME photo-essay on cannabis culture.)

In California, medical-marijuana sales are already taxed, and one community recently grabbed for a bigger slice of the pot pie. Residents in Oakland on July 21 overwhelmingly approved a ballot measure that would make the city the first in the country to establish a new tax rate for medical-marijuana businesses. The measure, which a preliminary count shows passed with 80% support, considerably hikes the tax Oakland marijuana dispensaries pay on sales, from $1.20 per $1,000 in receipts to $18 per $1,000.

A Field Poll conducted in California this spring showed that 56% of the state's registered voters support legalizing and taxing marijuana as a way of offsetting some of the budget deficit. Several national polls have shown that more than 45% of American adults are open to legalizing pot, about double the support a decade ago.

Yet even the most ardent marijuana advocates aren't expecting nationwide legalization anytime soon. Instead, any action is likely to come on the state and local level. For now, all eyes are on cash-strapped California, where high taxes could take on an entirely new meaning.

See pictures of pot in movies.

Find this article at:
http://www.time.com/time/nation/article/0,8599,1912113,00.html
California and Los Angeles have been pioneer sites for the expansion of the legal right to use marijuana. But local officials may now be at the forefront of curtailing some of that exuberance. If the Los Angeles city council has its way, the plethora of largely unregulated medical-marijuana facilities that have become a neighborhood blight in parts of the city may finally be brought under control. L.A. officials and medical-marijuana advocates estimate there may be as many as 1,000 such dispensaries. But in a preliminary vote on Tuesday, Dec. 8, the council indicated its intention to cap the number at just 70. (Watch a video on taxing marijuana in California.)

At the same time, the language of the medical-marijuana ordinance being debated is putting dispensaries under increased scrutiny. At the moment, the proposed ordinance would allow the facilities to accept monetary contributions for their services, a way of finessing the stipulation under state law that dispensaries remain essentially nonprofits. Currently all dispensaries stay in business by selling marijuana, a status that city attorney Carmen Trutanich and Los Angeles County district attorney Steve Cooley believe already violates the nonprofit requirement. According to their interpretation, recent court decisions have shown that marijuana collectives cannot sell the drug over the counter for a profit, although members can be reimbursed for the cost of growing it. "Whatever [the city council does] come up with, we will study very carefully, and if they're proposing anything that is inconsistent with California state law, we will ignore their act and enforce the law as we're sworn to do," Cooley tells TIME.

The proliferation of dispensaries has become a nuisance in many parts of the city. Says Jose Huizar, a councilman for District 14, who spearheaded the proposed regulation: "People have been taking advantage of us for too long, and we want to strike a balance between providing access to those who truly need medical marijuana and neighborhood concerns." Huizar's constituents have complained about decreased quality of life and increased crime in the areas around the dispensaries. "Within a 2½-mile radius and for a population of 40,000 people, we have 13 dispensaries operating, which is just ridiculous," says Michael Larsen, public-safety director of the Eagle Rock Neighborhood Council, which is part of Huizar's district. "It's literally the wild, wild West." (See pictures of America's cannabis culture.)

Huizar says he came up with the idea of capping the number at 70 by allocating two dispensaries for each of the city's 35 community planning areas — because he felt that was what the cash-strapped city could adequately
regulate. The dispensaries that remain, he says, will be charged fees to help cover expenses. "I thought we need to start as restrictive as possible, get control of this out-of-control situation, and then we can start loosening up if we realize there's a greater demand or adjustments we have to make to provide people with access," Huizar says.

Some medical-marijuana advocates say placing an arbitrary cap on the number of dispensaries is a faulty way of bringing a problematic situation under control. "It's the prerogative of local government if they want to establish regulations that limit the number of facilities in a city or county. We would prefer that the market, the patient demand, dictate the number of facilities that would exist, or that the quality of the operation did," says Kris Hermes, spokesman for Americans for Safe Access, an advocacy group for prescription pot.

Patient registration in the state is voluntary, so it is impossible to get an exact count of how many patients utilize dispensaries. However, Hermes estimates that among the more than 300,000 patients statewide, tens of thousands reside in Los Angeles. "Now is the time to better evaluate what those caps mean. It may mean that demand is concentrated in a few spots in the city, and that can create its own set of problems and unintended consequences — perhaps lines out the door or lack of competition creating more of a monoculture. It's important to keep that competition going so that we can supply affordable medicine to patients and give incentives to operators to do their very best in terms of providing services to patients." (Watch a video about medical marijuana home delivery.)

Unfortunately, the lack of resolution on the issue continues. The final city-council vote on the measure was delayed until next week to consider the impact of a last-minute addition to a provision barring dispensaries from operating within a certain distance of sensitive-use areas. Previously, sensitive-use areas included schools, public parks and places of worship, but the council went on to include private residences in the list and increase the operating distance from 500 ft. to 1,000 ft. Some opponents say the provision is not viable and will force law-abiding dispensaries to either relocate to largely remote, industrial areas of the city or shut down altogether. "Council members have to come to their senses and recognize how dramatic this is," says Paul Koretz, city councilman for District 5. If most dispensaries are zoned out of existence, there may be nothing left to adjust if and when L.A. revisits the issue.

See pictures of the great American pot smoke-out.

See the top 10 crime stories of 2009.

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