

## Recreational Cannabis Use for California Adults Has Finally Arrived

Here it is: the much-anticipated launch of recreational marijuana use for adults in the Golden State. The law was ratified by voters in November 2016, and though many hopeful cannapreneurs still don't have license in hand, it went into effect on January 1<sup>st</sup>. It allows adults 21 and over to possess up to one ounce of cannabis and up to six marijuana plants. California joins Colorado, Maine, Washington, the District of Columbia, Oregon, Nevada, and Alaska as states where adults can use cannabis products without a doctor's recommendation (Massachusetts will begin enacting its law in July).

Lori Ajax is the Chief of California's Bureau of Cannabis Control (BCC). She was recently interviewed on MSNBC and asked about challenges she anticipates with the law that grants 39 million people in her state access to recreational cannabis. A state license is required for all individuals in the legal marijuana business (but that is predicated on the applicant gaining local approval).

### **“We’ve had a thriving medical market...”**

Referring to those cannapreneurs who have been operating legal medical marijuana businesses in the state, some of them for many years, Ajax discussed the potential for a rocky transition period to the new system. “They haven't had any state regulatory oversight,” she said. “We've had a thriving medical market in California, but there has been no state oversight, so it's going to be a change for our licensees.”

Although the law permits local municipalities to legalize recreational marijuana use, it does not compel them to do so. Some cities (like Glendale, Pasadena, and Burbank) have opted out of legalization, which means residents interested in availing themselves of legal cannabis would need to travel. However, if they live near Los Angeles, they won't have to travel far. The city has embraced the new law, and experts predict that it will be richly rewarded for its pro-pot stance, to the tune of \$50 million in tax revenue for 2018 alone.

### **L.A. is “ready to make the jump”**

Brad Rowe is an adjunct professor at the UCLA Luskin School of Public Affairs and chief executive of the research and consulting firm Botec Analysis. He told the *Los Angeles Times* that L.A. “is a city that is ready to make the jump and not just put their toe in the water.”

Early in December, in a unanimous vote, the Los Angeles City Council adopted comprehensive regulations that will oversee legal marijuana businesses within the city. Before the vote, Council President Herb Wesson urged his colleagues: “Let's make history.” He also said that cities across the nation will be watching how L.A. handles its legal cannabis. That may well be true, since Los Angeles is expected to be the home of the country's most robust marijuana market.

“We are L.A.,” Wesson said. “We are leaders. We take on the tough issues.”

### **Social equity program attempts to right past wrongs**

One of those tough issues is taking on the war on drugs, the decades-old law enforcement campaign that harshly cracked down on crimes involving even small amounts of marijuana. The rules approved by the council included provisions for “social equity” regarding cannapreneurs running legal, licensed marijuana businesses. City regulators will prioritize the processing of licenses (including marijuana dispensary licenses, cannabis cultivator licenses, cannabis distributor licenses, or other licenses within the industry) for low-income applicants who reside in

areas of the city disproportionately disrupted by cannabis arrests or who have cannabis arrests on their own records.

At the meeting that voted on the regulations, Councilman Curren Price said that the history of criminalization of marijuana “unfairly targeted communities of color like the one I represent. I’m ready to level the playing field so that everyone has a fair shot at reaping the rewards of this booming industry. Because we shouldn’t just be rolling out the red carpet to those individuals with deep pockets or powerful corporations.”

And at the same meeting, Councilman Marqueece Harris-Dawson (who was instrumental in creating the social equity program) said “we will shut down one of the major fronts of the war on drugs.”

## **So 2018 is upon us...**

Regardless of how many other cities are keeping an eye on L.A. during the recreational roll-out, city officials will be keeping an eye on it most keenly. And that holds true for the state overall. Despite many of the specifics hammered out, there are still details that need finalization, especially when it comes to licensing (which is part of the reason the state can only issue approved entrepreneurs temporary marijuana business licenses at first).

If you listen closely, perhaps you’ll hear Californians lighting up to ring in the new year. Or perhaps that’s the sound of state and local regulators holding their breaths, anticipating headaches over unanticipated snags in the system and hoping things go smoothly. Either way, it’s new territory for the Golden State.

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