

BARRIERS TO CANNABIS ACCESS IN CALIFORNIA

The last few years have seen significant progress in licensing and regulating cannabis businesses in California. Businesses and consumers will ultimately benefit from the full implementation of the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) and AUMA (Prop. 64), which will foster a safer and more reliable cannabis industry. However, there is still important work to be done in removing barriers to safe access to cannabis for legal medical cannabis patients in California, and in ensuring the success of the licensing system. California NORML and Americans for Safe Access call on state lawmakers to advance legislation to eliminate ongoing barriers to safe and affordable access to cannabis in a regulated market a priority.

TAX REFORM. State taxes, and the cost of compliance with licensing regulations are passed on to consumers. They include the \$9.25/ounce cultivation tax, 7.25+% sales tax, and the 15% excise tax imposed on the average market price of cannabis goods. Cities and counties are also imposing taxes on cannabis businesses and consumption. Some jurisdictions have tax rates as high as 15%. While an exemption from sales tax is available to patients with a state ID card, others pay sales tax on the cost of medical cannabis, including the excise tax.

The total cumulative tax burden on medical cannabis is a hardship for the legal patients using cannabis under the care of an attending physician. Medical cannabis is not covered by insurance, meaning patients already coping with the high cost of healthcare must pay out of pocket. Excessive taxation is an unnecessary additional burden of those using cannabis goods to treat serious medical conditions, like HIV/AIDS, cancer, chronic pain, and more.

Common sense reform will help legal patients and is unlikely to have a significant effect on the tax revenue anticipated from Proposition 64. The proportion of overall cannabis consumers using cannabis with a doctor's recommendation is likely to grow smaller now that there is a legal adult-use option. State lawmakers can and should adopt legislation to provide tax relief for patients. Options include reducing or eliminating the excise tax on medical cannabis goods or providing tax deductions or credits to offset medical cannabis taxes imposed on patients or businesses.

In addition, lowering the tax burden on the adult-use cannabis market, at least temporarily, will ensure that the regulated market will thrive and overtake the black market. A bill to lower state cannabis taxes, AB 3157, was introduced this year but held in committee. We ask for reconsideration of AB 3157 or some other legislation that would lessen the tax burden, particularly on medical cannabis patients.

UNIVERSAL DELIVERY. Some cities and counties have banned licensed delivery services from providing cannabis goods inside their borders. This is an inconvenience for adult-use consumers, but it is a more serious matter for some of the most vulnerable medical cannabis patients. Patients who are bedridden, homebound, or mobility-impaired rely on delivery of medical cannabis to treat the symptoms of serious medical conditions. MANY patients live in jurisdictions where cannabis businesses are banned or scare. Delivery may be the only practical option in places like these.

Voters approved Proposition 215 legalizing medical cannabis in 1996 to "ensure that seriously ill Californians have the right to obtain and use marijuana for medical purposes." Proposition 64 and MAUCRSA uphold the will of the voters by making provisions for safe and legal access for patients. State law allows local jurisdictions to ban cannabis businesses within their borders. However, banning a licensed medical delivery service in a neighboring community from serving patients in a jurisdiction runs contrary to the intent of state law.

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Licensed delivery services, or non-storefront retailers, have no land-use impact in other jurisdictions. Furthermore, there is no evidence that licensed and regulated delivery services lead to crime or nuisance activity in communities where they deliver cannabis. In fact, licensed and regulated delivery services that follow state regulations are discrete and have careful inventory-control procedures to prevent theft or diversion of cannabis goods.

State lawmakers should adopt legislation that allows for the delivery of cannabis goods by a licensed delivery service to medical cannabis patients and recreational users in every California city and county. SB 1302 (LARA) was introduced this year to ensure safe access to patients statewide through licensed delivery services. The bill is currently on hold. We ask that it be reconsidered.

CANNABIS AND OPIOIDS. Many chronic pain patients can reduce or even eliminate their use of opioids by substituting medical cannabis. Ironically, many clinics and doctors systematically deny treatment to patients who use medical cannabis for pain and other conditions. Often clinics force patients to sign "pain contracts" forbidding the use of cannabis. Patients who test positive for cannabis may then have their prescriptions for opioids or other medications cut off, even if the cannabis has been legally recommended and obtained.

This practice is indefensible in light of the current opioid epidemic. Numerous studies have shown that people in states with access of medical cannabis show less opiate use, abuse, and overdose deaths than do people in other states. Denying access to medical cannabis is therefore likely to increase opioid dependency and abuse. The National Institute on Drug Abuse (NIDA) now recognizes that "medical marijuana products may have a role in reducing the use of opioids needed to control pain." A NIDA-funded study found the number of opiate overdoses was reduced by 25% in states with medical cannabis programs.

Eleven states (Arizona, Arkansas, Delaware, Hawaii, Illinois, Massachusetts, Minnesota, New Hampshire, Ohio, Oregon, and Washington) and the District of Columbia have laws banning the denial of medical treatment to patients solely because of their legal use of medical marijuana. California enacted a similar law applying specifically to organ transplant patients in 2015 (AB 258 – Levine). We urge lawmakers to adopt similar legislation to protect legal medical cannabis patients from discrimination in treatment for chronic pain and other conditions treated with opioids and other prescription drugs. We are seeking an Author for a bill to protect pain patients' rights.

Constituent Comments

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