

GROWING CALLS TO LEGALIZE MARIJUANA usually extol the virtues of tax revenues. The marijuana industry is quick to estimate large amounts of revenue from pot sales, but it rarely, if ever, discusses the societal costs of legalization. But if alcohol and tobacco are any indication, tax revenue from marijuana sales will be paltry compared to the potential costs.

One study in Colorado found that one Colorado emergency room's admissions alone due to pot use alone may cost the state hundreds of thousands of dollars. (1)

Uncollected payments among marijuana-related patients at one another hospital in Colorado totaled \$210 M. (2) Furthermore, the US Department of Transportation has valued a loss of a single human life from a car crash at \$6.6 Million. In Colorado, ER visits have quadrupled and car crashes have risen by more than 45%. (3, 4).

States are likely to pay dear costs related to tourism and homelessness issues as well. The homelessness issue in Colorado has exploded. (5) Additionally, Visit Denver, the tourism bureau charged with attracting businesses to the state, has found marijuana to be a chief concern, with many convention-goers commenting that they will not consider Denver a viable option for their next convention because of "streets reeking of weed."

Legalization also results in administrative and enforcement costs, similar to alcohol regulation. In fact, alcohol is the top reason for arrest of all drugs, since so many people use it.

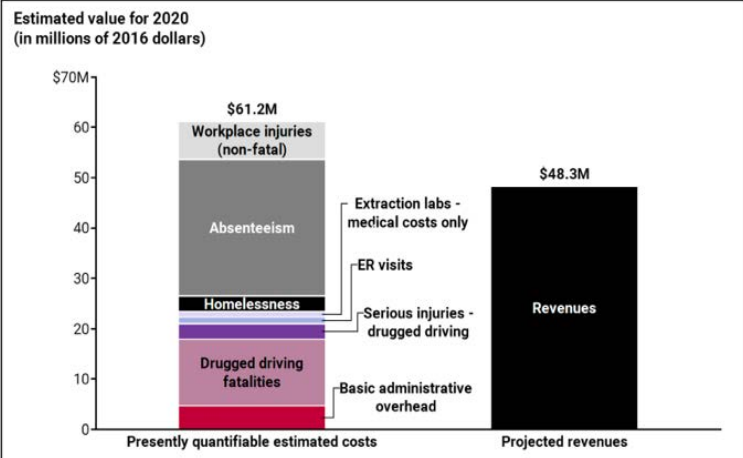
WORKPLACE LOSSES are another potential money loser for a state contemplating legalization. As most people injured in serious drug-related workplace accidents are co-workers of the drug-using employee

Every \$1 received in tax revenue from our legal drugs costs society more than \$10 in lost social costs, due to workplace, highway, health, criminal justice, and other reasons.

or other third parties, this will affect a state's workforce broadly. This does not include lawsuits stemming liabilities or increased insurance premiums.

We also cannot quantify, as of yet, costs due to: greater other drug use, greater marijuana use among underage students, property and other economic damage, controlling an expanded black market, sales to minors, public intoxication, and other burdens.

NO POLICY is without its costs. Legalization will result in significant costs to society, resulting from workplace losses, car crashes, homelessness, lost convention revenue, administrative enforcement, burns resulting from high THC production accidents, and other issues. As even a limited set of costs comes due, it is quickly out-pacing the revenue raised, leading to a net loss for the state and its residents.



A study of revenues versus costs in Rhode Island found that a conservative estimate of costs outweighed - by more than 25% - the potential revenues estimated by pot advocates. The biggest cost centers came from workplace injuries, absenteeism, and drugged driving fatalities.

Source: Costs of Legalization, SAM.

1. See <https://www.nbcnews.com/health/health-news/er-visits-kids-rise-significantly-after-pot-legalized-colorado-n754781>
2. The Hidden Costs of Marijuana in Colorado, at http://www.globaldrugpolicy.org/Issues/Vol%2010%20Issue%202/Articles/The%20Hidden%20Costs%20of%20Marijuana%20Use%20in%20Colorado_Final.pdf
3. See <https://www.nbcnews.com/health/health-news/er-visits-kids-rise-significantly-after-pot-legalized-colorado-n754781>
4. See <http://www.denverpost.com/2017/08/25/colorado-marijuana-traffic-fatalities/>
5. See <https://www.cbsnews.com/news/legal-marijuana-drawing-homeless-to-colorado/>