

**NO ON
PROP
19**

PUBLIC SAFETY FIRST!

The Campaign to Defeat the Legalization of Marijuana in California

For Immediate Release

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**STATEMENT FROM PUBLIC SAFETY FIRST:
RAND REPORT HIGHLIGHTS CHAOS AND UNCERTAINTY OF PROP 19**

SACRAMENTO – Public Safety First, the campaign to defeat the legalization of Marijuana in California, released the following statement on the results of a RAND Corporation Drug Policy Research Center study on “How Might Marijuana Legalization in California Affect Public Budgets and Marijuana Consumption.”

“The RAND study highlights the major flaws in Proposition 19 – the effort to legalize recreational marijuana,” said Public Safety First communications director Roger Salazar. “Chief among them is the uncertainty and chaos that could result from the implementation of this poorly written initiative. According to the RAND study, we could find ourselves in a situation where we see the worst of all worlds: recreational marijuana consumption goes up; illegal marijuana sales to evade taxes begins; tax revenues go down; we get sued by the federal government and they withhold federal funds from the state. Aside from pre-tax pot prices going down, I doubt that’s what the proponents had in mind.”

Among other findings, the RAND study found:

- “No jurisdiction, including the Netherlands, has taken such a step” as Proposition 19. It would “go well beyond the Dutch ‘de facto’ legalization of small-quantity transactions.” (page 13)
- The pre-tax price of marijuana could substantially decline. (page 2)
- Consumption of marijuana would increase. (page 2)
- Tax revenues would be wildly uncertain: the state “could see increases in consumption and low revenues due to tax evasion or a ‘race to the bottom’ in terms of local tax rates.” (page 2)
- Illegal marijuana activity could shift from smuggling to tax evasion: “The financial reward for evading (a \$50-per-ounce) tax on a pound of marijuana after legalization will be greater than the financial reward is today for smuggling 1 pound of marijuana from Mexico to California.” (page 21)

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- “Legalizing marijuana production would bring California in direct conflict with federal law, as well as various international treaties that the U.S. has signed pertaining to drug control.” (page 45)
- This could lead to anything from the federal government allocating “more federal-law enforcement resources to prosecuting people in California for violating federal marijuana laws” to launching “a lawsuit against the state of California” to withholding “federal appropriations” as they did during the drive to increase the legal drinking age. (page 45)
- “If the federal threat is serious enough, it could essentially eliminate legal sales and, thus, the possibility of generating tax revenue.” (page 46)

For the complete report, visit: www.rand.org/pubs/occasional_papers/OP315/

For more information go to www.PublicSafetyFirst.net.

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