

## **Replacing Marijuana Prohibition With Sensible Regulations**

An overview of four states' frameworks for regulating marijuana similarly to alcohol

State	Age Limit	Personal Possession, Cultivation, and Purchase Limits	Businesses Allowed and Restrictions on Numbers of Each (if any)	Licensing Timeline	Oversight Agency
Colo. (enacted Nov. 6, 2012)	21 and older	Possession: One ounce; plus, at the grow location, marijuana from the adult's plants  Home cultivation: Six marijuana plants (three mature)  Purchase: One ounce per transaction for residents; a quarter ounce for non- residents	Cultivation facilities, product manufacturers, testing labs, and retail stores.  There are no state limits on the numbers of licenses, but localities may restrict their numbers or ban them.	Medical marijuana business licensees began applying for business licenses on October 1, 2013. Others could begin applying July 1, 2014.  The first adult use stores opened on January 1, 2014.	Department of Revenue, Marijuana Enforcement Division
Wash. (enacted Nov. 6, 2012)	21 and older	Possession and purchase limits: Up to an ounce of marijuana, 16 ounces of marijuana-infused solids, and 72 ounces of marijuana-infused liquids  Home cultivation is not allowed.	Marijuana producers (growers), processors, and retailers. 334 retail licenses were issued statewide.  The rules do not limit the number of growers and processors, but they limit the total square feet of cultivation.	Applications were initially accepted in November and December 2013. The board may reopen the application window at its discretion.  The first adult use stores opened in July 2014.	Washington State Liquor Control Board
Oregon (enacted Nov. 4, 2014)	21 and older	Possession: Up to eight ounces in one's home, one ounce in public, 16 ounces of marijuanainfused solids, and 72 ounces of marijuanainfused liquids  Home Cultivation: Four marijuana plants  Purchase: The Oregon Liquor Control Commission may set purchase limits.	Marijuana producers (growers), processors (extract and product manufacturers), wholesalers, and retailers  There are no set limits, but the OLCC may refuse to grant a license if doing so in the locality set out in the application is not demanded by public interest or convenience.	The election results will be certified on December 4, 2014, at which time the OLCC can begin rulemaking. The OLCC will begin accepting applications for marijuana businesses on January 4, 2016.	Oregon Liquor Control Commission
Alaska (enacted Nov. 4, 2014)	21 and older	Possession: Up to one ounce of marijuana in public and all marijuana produced by personal cultivation in the same location where cultivation occurred  Home cultivation: Six marijuana plants (three mature)  Purchase: Up to one ounce	Marijuana cultivation facilities (growers), product manufacturing facilities, testing facilities, and retail stores.  There are no statewide restrictions on the numbers of licenses issued per business type, but localities may restrict their numbers or ban them entirely.	The Alaska Division of Elections anticipates certification will be finalized between November 22 and 29. Rules for marijuana establishments must be drafted later, probably in September 2015.	The Alcoholic Beverage Control Board has initial regulatory authority. However, the legislature may create a Marijuana Control Board at any time to take over.

Detailed summaries of each of the programs are available at MPP's Colorado, Washington, Oregon, and Alaska state webpages: mpp.org/co, mpp.org/wa, mpp.org/or, and mpp.org/ak.

State	Tracking and Security	Testing and Labeling	Tax Rate	Local Role	How Licensees Are Determined
Colo.	Licensed entities must use "seed-to-sale" tracking to prevent diversion. Specific security and video systems must be installed, and the businesses must abide by specific alarm and lock standards.	Marijuana and marijuana products must be tested for potency and labeled with the results; contaminant testing is optional. If contaminant testing is done, the label must state the results; if not tested for contaminants, the label must state that fact. Additionally, certain warning labels are required on all retail marijuana.	Current state and local sales and use taxes apply to all retail sales.  Voters approved a 15% excise tax and a separate 10% special sales tax in November 2013.	Cities and counties are allowed to prohibit marijuana establishments or to limit their number. They may also enact ordinances restricting the time, place, and manner of businesses.	Initially, only state- licensed medical marijuana businesses could apply. Any qualified business may be licensed, unless the locality has limited the number of businesses. If it has done so, the department decides whom to license, considering the locality's preference when doing so.
Wash.	Licensed entities must use "seed-to- sale" tracking to prevent diversion. Specific security systems are required, including perimeter alarms and video systems.	Certain analytic tests must be performed on marijuana and the various marijuana products. For example, usable marijuana must be tested for moisture content, potency, foreign matter, and microbes.	25% excise tax on wholesale sales to processors; 25% excise tax on wholesale sales to retailers; and a 25% tax on the retail sale price.	Localities are notified when the board receives an application for licensure. They have 20 days to give their advice, which is given "substantial weight" by the board when they make their decision to grant a license.	If there are more qualified applicants in a city or county than are allotted, the state selects licensees by lottery — as it did with retailer licenses in 2013.
Oregon	To be determined in the rulemaking process	To be determined in the rulemaking process	\$35/ounce excise tax on marijuana flowers; \$10/ounce excise tax on marijuana leaves; and \$5/plant excise tax on immature plants. The state has sole authority to impose a sales tax.	Municipalities may enact reasonable time, place, and manner zoning ordinances if they find that doing so is needed to prevent adverse effects. A locality may completely ban marijuana businesses if the locality's voters elect to do so via a ballot question asked of the voters during a statewide general election.	The OLCC may decide how many licenses to allow in a locality, refusing a license if there is reasonable grounds to believe there are sufficient licenses in the area or if the granting of a license is "not demanded by public interest or convenience."
Alaska	To be determined in the rulemaking process	To be determined in the rulemaking process	\$50/ounce excise tax on marijuana sold at wholesale.	Municipal governments may enact ordinances that govern the time, place, manner, and number of marijuana businesses that can operate. Local governments may also ban licensed marijuana businesses altogether through the enactment of an ordinance or by voter initiative.	To be determined in the rulemaking process