

TOWNSHIP OF MAPLEWOOD
ESSEX COUNTY, NEW JERSEY



VICTOR DE LUCA
MAYOR

November 26, 2018

Joint Hearing of the NJ Senate Budget and Appropriations Committee and Assembly Appropriations Committee regarding medical cannabis expansion & legalization, taxation, and regulation of adult recreational use (S10, S2426, S2703, S3205, SCR43)

Dear Chair and Committee members,

It's an honor to testify before you today in favor of medical cannabis expansion and the legalization, taxation, and regulation of recreational use by adults. I am Dean Dafis, Committee member of Maplewood Township's governing body (the Township Committee) and I have been asked to testify on behalf of my colleagues and our great mayor – Mayor Vic De Luca.

We are a welcoming, diverse, inclusive, civically engaged, and lively community of over 25,000 residents on the southern edge of Essex County bordering Union, Millburn, South Orange, Irvington, and Newark. Earlier this year, we steadfastly adopted zoning ordinances permitting Alternative Treatment Centers (“ATC”s) – medical cannabis dispensaries - and interviewed and endorsed several ATC applicants after establishing local community benefit parameters with them, including drug & alcohol addiction prevention education, local employment opportunity, sustainability, and public safety requirements. We also formally expressed our support for cannabis legalization to the Legislature and Governor Murphy. We did all of this because we wholeheartedly recognized that legalization and medical expansion would advance racial justice, begin addressing the civil rights crisis of mass incarceration of people of color after the decades-long abusive, prejudicial and ineffective ‘war on drugs’, and help mediate a growing opioid crisis in our communities.

There's no doubt that this is a social justice issue. While whites and blacks use marijuana at the same rate, in NJ we lock up more African Americans for it; African Americans being three (3) to five (5) times more likely to be locked up for simple possession than whites. In fact, eighty-three percent (83%) of those incarcerated in NJ are people of color. According to current figures, in NJ there are twenty-five thousand (25,000) arrests for simple possession (most often for small amounts) each year, that's about eighty-eight (88) a day! Communities of color are disproportionately bearing the brunt of these arrests and convictions and the life altering consequences; lack of access to employment opportunity, education, housing, or credit, and the separation of families. We have destroyed generations of low income communities and communities of color; it is intolerable, immoral, and it must stop. Legalization of cannabis is the necessary first step to correct these wrongs.

But, we must do it right! In order to fully address past harms, *fair and equitable reform* is necessary. “Fair and equitable” means policies that encourage full participation in the industry by communities disproportionately harmed by marijuana prohibition and which repair past harms. Accordingly, as you consider the current proposed bills – and we commend you for moving this important legislative effort forward – we respectfully urge the Legislature to ultimately produce a law that *adequately* addresses the following issues:

Social Justice / Equity –

- The automatic and expedited expungement of past cannabis possession or distribution convictions and arrests via court administration electronic filing system
- The automatic release from incarceration of those arrested for or convicted of cannabis possession or distribution
- Cannabis licensing preferences to persons arrested and/or convicted of possession or distribution of cannabis and to other communities historically socially and economically harmed or disadvantaged by cannabis laws, including minority women and disabled veterans
- The creation of social impact zones - communities of color and low income communities most negatively impacted by marijuana laws and prosecutions, where there are higher concentrations of law enforcement activity, unemployment, and poverty because of it – these communities should receive job training, entrepreneurial support, funding, community benefits, and other resources allowing them to directly benefit from and participate in the emerging cannabis industry; licensing preferences should be granted to businesses located in impact zones
- Ensuring a diverse and competitive marketplace where barriers to entry to small business cannabis operators are removed (start up and licensing fees, and other costs made reasonable or structured by sliding scale) to allow for diverse industry access; socioeconomic, racial, ethnic, gender and geographic

Municipal Self- Determination –

- Municipalities should be part of the decision-making process regarding granting or denying cannabis licenses, the number of cannabis licenses, and the location of dispensaries, growing and processing facilities; local governing bodies are best equipped to reflect the will of their constituents

Finances / Taxation –

- Five percent (5%) of the state tax revenues generated within a municipality by legalization should go directly to that municipality; enforcement of the new law will fall almost entirely on municipal governments, which will absorb all costs associated with law and code enforcement, health services, education and social services; the current proposed 2% local excise tax is insufficient to offset such costs and is an incentive for municipalities to opt-out
- There should be a mechanism in place to verify and ensure that such tax revenue is making its way back into the host municipality (i.e. by way of licensee host agreements) and that the municipality can direct such revenue into its local drug alliances and drug abuse, prevention, and education programming

Legalizing cannabis in NJ by way of a highly regulated process that is fair and equitable so that it benefits all of our communities and residents is possible and morally imperative. Let's do it!

Thank you for your attention and consideration.

Sincerely,
Township Committeeman, Dean Dafis
Mayor Victor De Luca
Deputy Mayor Frank McGehee
Township Committeewoman, Nancy Adams
Township Committeeman, Greg Lembrich