

AGE & LEGAL AMOUNT TO POSSESS

A person must be 21 years or older to possess, grow, and cultivate cannabis for recreational use.

Adults 21 & older may possess up to 2 ounces cannabis, and up to 16 grams extracts outside a private residence.

Adults 21 & older can be licensed to plant & cultivate up to 6 mature plants & 6 immature plants.

STATE & LOCAL CONTROL

Establishes a Cannabis Control Division within the State Department of Regulation & Licensing.

Local jurisdictions may: Vote to prohibit retail sales of cannabis (A municipality within a county that has voted to ban sales may vote to allow sales within the municipal boundaries); Add up to 3% tax on sales of cannabis; Enact reasonable zoning, land use & business licensing requirements; Decide to permit cannabis consumption (smoking, vaporizing, & ingesting) on the grounds of a licensed retailer or microbusiness.

Local jurisdictions may not: Prohibit consumption or cultivation of cannabis in a private residence; Prohibit medical cannabis only retail; Prohibit the transport & delivery of cannabis items within their jurisdiction; Prohibit commercial cultivation or manufacturing of cannabis or cannabis items.

NOTE: Schools may not refuse to enroll or otherwise penalize someone use of commercial or medical cannabis; Landlords may not refuse to rent to or otherwise penalize a person for conduct allowed under the medical cannabis law.

TAX STRUCTURE

Gross Receipts Tax and local taxes apply to the value of the purchase. An additional 9% surtax is created. (Medical cannabis is exempt from GRT and surtax)

Municipality surtax: up to 3%, increased in 1/16 cent increments (conditional- requires gov. body to adopt ordinance & subject to approval) or County surtax: Up to 3%, increased in 1/16 cent increments (conditional- requires gov. body to adopt ordinance & subject to approval).

*The governing body of a municipality or county may adopt an additional surtax tax. If both a municipality and county have added tax, then county taxation applies where the municipal tax is not applied. County and municipal surtax are not added on top of one another.

REVENUE DISTRIBUTION

Net receipts attributable to state GRT and the surtax goes to the state's General Fund, except:

* 20% surtax goes to the Community Reinvestment Fund for the purposes of job placement, mental health treatment, substance use disorder treatment, legal services to address barriers faced by formerly incarcerated persons, linkages to medical care, and prevention, early intervention and outreach services, and education for youth;

* 6% surtax goes to the Cannabis Health and Safety Fund to support low-income patients in the medical cannabis program and to develop a comprehensive public education campaign.

* 2% surtax goes to the Cannabis Research Fund for research on the effects and efficacy of medical and recreational cannabis, impacts on public health and safety, use rates, and cannabis and opioid use disorder treatment.

* 6% surtax goes to the Local DWI Grant Program to establish protocols to determine driver impairment, to fund drug recognition expert field certification training and to purchase roadside tests validated for testing cannabis impairment.

PROTECTING OUR YOUTH AND PUBLIC SAFETY & HEALTH

The Department of Health will be in charge of the Cannabis Health and Safety Fund. The fund will receive 6% of the cannabis surtax tax revenue to develop and execute a comprehensive and sustained public education program that promotes road safety and discourages driving while impaired; promotes abstinence for people under 21; that encourages responsible use by adults; that provides support for low-income medical cannabis patients.

A Public Health Advisory Board is created to monitor cannabis use patterns and emerging data relevant to the health effects associated with legalizing cannabis. Annual reporting from Dept. of Health is required and must include information about youth access to cannabis; road safety and driving while impaired; workplace safety; percentage of emergency room visits and outcomes involving cannabis use; educational needs for youth and adults; consumer and product safety; and the percentage of poison control center calls involving cannabis use.

Advertising and marketing is prohibited on TV, radio, on billboards, & public transit. Advertising shall not use cartoon characters or be designed to mimic any other product brand and must be placed more than 300 feet from a school, day care center, or church.

All items must be labeled & placed in re-sealable, child resistant packaging. The Dept. of Environment is directed to establish rules for packaging and labeling including establishing serving size, ingredients, potency and pesticide use.

A community reinvestment fund is created. Grants may be used to fund programs supporting public education, a public health and drug misuse prevention focused on youth, and evidenced-based substance misuse programs for youth.

Licensees may not operate within 300 feet of a school, day care center, or church.

Penalties for possession of cannabis for personal use for persons under 21 become a fine. This will deter cannabis use by youth while preventing youth from entering the criminal justice system for simply possessing cannabis. Early criminal justice involvement often leads to future offending behavior.

It is UNLAWFUL to: drive while under the influence of cannabis; smoke or ingest cannabis in a public place (unless when permitted in an establishment under the Act); produce cannabis in public view; cultivate cannabis in public view; or, possess, smoke or ingest cannabis or products on school property.

Protection for youth whose parents lawfully use cannabis: youth cannot be separated from their parents for use of cannabis or medical cannabis in compliance with the law.

Employers are required to post signs warning of the potential impairment effects of cannabis, any discipline or penalty an employee may receive for using cannabis while at work or for coming to work impaired and a statement that possession or use of cannabis is prohibited pursuant to federal law.

SUPPORTING A LOCAL & SUSTAINABLE INDUSTRY THAT PROTECTS OUR ENVIRONMENT

Applicants for industry licensees must prove 2 years of continuous residency in NM.

Creates a “cannabis microbusiness” license type. A microbusiness can collect up to two million dollars (\$2,000,000) in revenue. A microbusiness can grow no more than 99 plants, can manufacture cannabis products, can package, transport cannabis products, sell or courier cannabis products to other cannabis establishments or consumers, can have cannabis items tested by licensed labs, or can operate a retail facility.

Requires licensing fees be scaled based on the size of the business to promote ability of small businesses to thrive. This requirement aims to ensure that the cost of licensing isn’t prohibitive for people without large amounts of investment capital. Medical cannabis only licenses shall not exceed more than 50% of the cost cannabis licensing for combined commercial and medical cannabis.

Requires licensees use 50% captured, active, passive or natural solar energy or recycled water to produce cannabis or otherwise in the business licensed.

The regulatory agency must work with the Department of Agriculture and the Department of Environment to establish rules governing pesticide use, environmental impacts, natural resource protections, water quality, water supply, hazardous material, and wastewater discharge.

Rules for occupational health and safety standards for cannabis industry employees are required to be established.

PROTECTING THE MEDICAL CANNABIS PATIENT & PROGRAM

Keeps the medical cannabis patient registry at the Department of Health.

Prevents local jurisdictions from banning *medical cannabis only* sales.

Exempts medical cannabis sales from the gross receipts tax (GRT), making it like other medications. Ensures that medical cannabis will not be subject to surtax tax charged on adult use cannabis.

Creates a medical cannabis subsidy program to help support the needs of patients who cannot afford their medicine – Six percent (6%) of funds from revenue go to the Cannabis Health and Safety Fund, administered by the Dept. of Health to support medical cannabis access for low-income and indigent patients and to fund a cannabis public education campaign.

Requires all retailers that sell cannabis for adult use to also sell medical cannabis. Requires retailers that serve the adult use consumers and medical cannabis patients maintain annual sales of at least 33% medical cannabis items.

Creates employment protections, and protections for people under state supervision who use medical cannabis.

EMPLOYMENT PROTECTIONS FOR MEDICAL CANNABIS PATIENTS

Provides employment protections for the medical use of cannabis. It establishes that, unless established “by a preponderance of evidence that an employee’s lawful use of medical cannabis has impaired the ability to perform the employee’s job” that it is unlawful to take adverse employment action against an employee for conduct that is lawful, or for the employee’s positive drug test for cannabis.

Provides that an employer may consider an employee’s ability to perform the job responsibilities when the employee “manifests articulable symptoms while working that decrease or lessen the employee’s performance, duties, or the tasks of an employee’s job.”

Safety sensitive positions are exempted from these protections. Safety sensitive positions are defined in the statute as jobs in which performance by a person under the influence of drugs or alcohol would constitute an immediate and direct threat of injury or death to that person or to another.

REPAIRING THE HARMS OF THE WAR ON DRUGS

Creates a community reinvestment program and provides that 20% of net receipts from tax revenue shall be dispersed to the fund to establish and run the community reinvestment grants program, which will receive applications and make grants. The Dept. of Health shall administer the fund. Funds are specifically to be granted to community-based nonprofit organizations for the purpose of reinvesting in communities disproportionately affected by past federal and state drug policies. Funds shall be used to support job placement, mental health treatment, substance use disorder treatment, system navigation services, legal services to address barriers to reentry, and linkages to medical care and women’s health services. Grants may also be issued for drug use prevention and outreach services, behavioral health programs, evidence based treatment services, among other things.

The division is required to develop a social-equity plan to achieve racial, ethnic, gender, and geographic diversity among licensees.

People who have been convicted of cannabis-related offenses shall have their records expunged. Someone currently serving time for cannabis-related offense, shall have their sentences flagged and may be considered for recall or dismissal. This will start to repair the historical unequal enforcement of cannabis against people of color.

Provides that a prior controlled substance conviction shall not be the sole basis for denial of licenses. People of color have been disproportionately targeted by drug law enforcement and should not be excluded from the market just because they have been involved in the criminal justice system for a cannabis law offense.

Requires annual reporting from local law enforcement and the Department of Public Safety that details the number of arrests for cannabis related violations broken down by category and penalty level; and race, ethnicity, age and gender.