

## Marijuana is not New York’s answer.

- Tax revenue from marijuana accounts for less than one percent of state revenues where the drug is “legal.”
- Even as marijuana markets grow, research shows tax revenue quickly tapers off ([Pew Trusts](#), 2019).
- Revenue projections are largely unreliable. As states use marijuana to try to fill budget gaps, researchers advise against using marijuana tax revenue to fill long-term holes ([Pew Trusts](#), 2019).

“It wouldn’t give us any revenue ... It would actually cost us money to get started up the right way... I think, in the longer term, it is a revenue stream for the state. But I always want to be careful not to either over-inflate the possibilities of a pot of gold of revenue or, certainly not, the pot of gold of revenue that we’d get now.”  
(New York state Senator, Liz Krueger, 2020)

“We get \$200 million a year in tax revenue, which, you know, we’re a \$30 billion budget, so it’s a drop in the bucket – it’s not going to pay for early childhood education or solve any big social ill...”  
(Colorado Governor John Hickenlooper, 2018)

## Legalization is costly, and New York cannot afford it.



(<https://www.nysmokefree.com>)

- Costs associated with legalization include but are not limited to: [marijuana-impaired traffic deaths](#); [marijuana-related hospitalizations and poison control center calls](#); [significant environmental costs](#) from marijuana plant production; loss in [workplace productivity](#). Costs for New York state law enforcement and emergency services alone may reach up to [\\$192M annually](#) in taxpayer dollars.
- The rapidly expanding underground marijuana market also costs “legal” states, where ramped up law enforcement efforts have required [even more funding](#).
- Youth use rates [increased](#) in “legal” states, as did [youth instances of Cannabis Use Disorder](#). These trends will cost the state further.
- Meanwhile, the ACLU found that states that legalized marijuana *still* had disproportionate arrest rates in marijuana-related offenses ([ACLU](#), 2020).
- New York cares about being smoke free—the state spends an estimated \$39.8M on youth tobacco prevention efforts alone ([Tobacco Free Kids](#), 2020). What will the state have to spend to prevent youth marijuana use?

## Even when the marijuana market “matures,” revenues will disappoint.

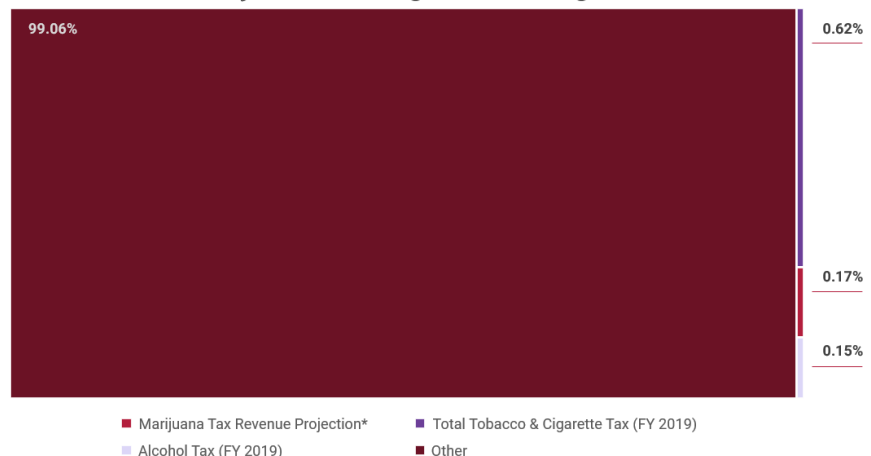
- New York state lawmakers passed a budget of [\\$178B for 2020](#); the budget shortfall in 2020 is \$13B.
- The Governor’s office reports that a mature marijuana market in New York state will reach up to [\\$300M—eventually](#). This represents less than two tenths of one percent of the state’s current budget.

State	Percent of Budget*
Colorado	0.90%
California	0.47%
Washington	0.33%
Alaska	0.20%
Oregon	0.13%
Nevada	0.04%
<b>New York**</b>	<b>0.17%**</b>

\*Percentages of revenues are rough estimates calculated based on reported figures from individual states.

\*\*Percentages for New York are based on the anticipated dollar figure for marijuana tax revenue.

Projected Percentages of NYS Budget



([New York State 2018-2019 Budget Reports](#); [New York State 2021 Enacted Budget Plan](#))