



New York City Comptroller
John C. Liu

NEWS RELEASE

PR13-08-155
Contact: E.J. Kessler (212) 669-3747

August 13, 2013
Page(s): 3

LIU: LEGALIZE MARIJUANA IN NEW YORK CITY

***Comptroller Seeks End to Wholesale Arrests of Minority Youth;
Generate More Than \$400 Million Annually for Higher Education***

[Full Report](#)
[Report Summary](#)

NEW YORK, N.Y. — City Comptroller John C. Liu today proposed regulating and taxing the sale of marijuana for personal use by adults in New York City. In a report released today, the Comptroller's office argued that the change would curb the significant social damage caused by prohibiting the substance and generate more than \$400 million annually for higher education.

"New York City's misguided war on marijuana has failed, and its enforcement has damaged far too many lives, especially in minority communities," said Comptroller Liu. "It's time for us to implement a responsible alternative. Regulating marijuana will keep thousands of New Yorkers out of the criminal justice system, offer relief to those suffering from a wide range of painful medical conditions, and make our streets safer by sapping the dangerous underground market that targets our children. As if that weren't enough, it would also boost our bottom line."

Liu proposed that the City use the revenues generated by the regulation of marijuana to reduce CUNY tuition by as much as 50 percent for New York City residents. "In this way, we'll invest in young people's futures, instead of ruining them," he said. "By regulating marijuana like alcohol, New York City can minimize teens' access to marijuana, while at the same time reducing their exposure to more dangerous drugs and taking sales out of the hands of criminals."

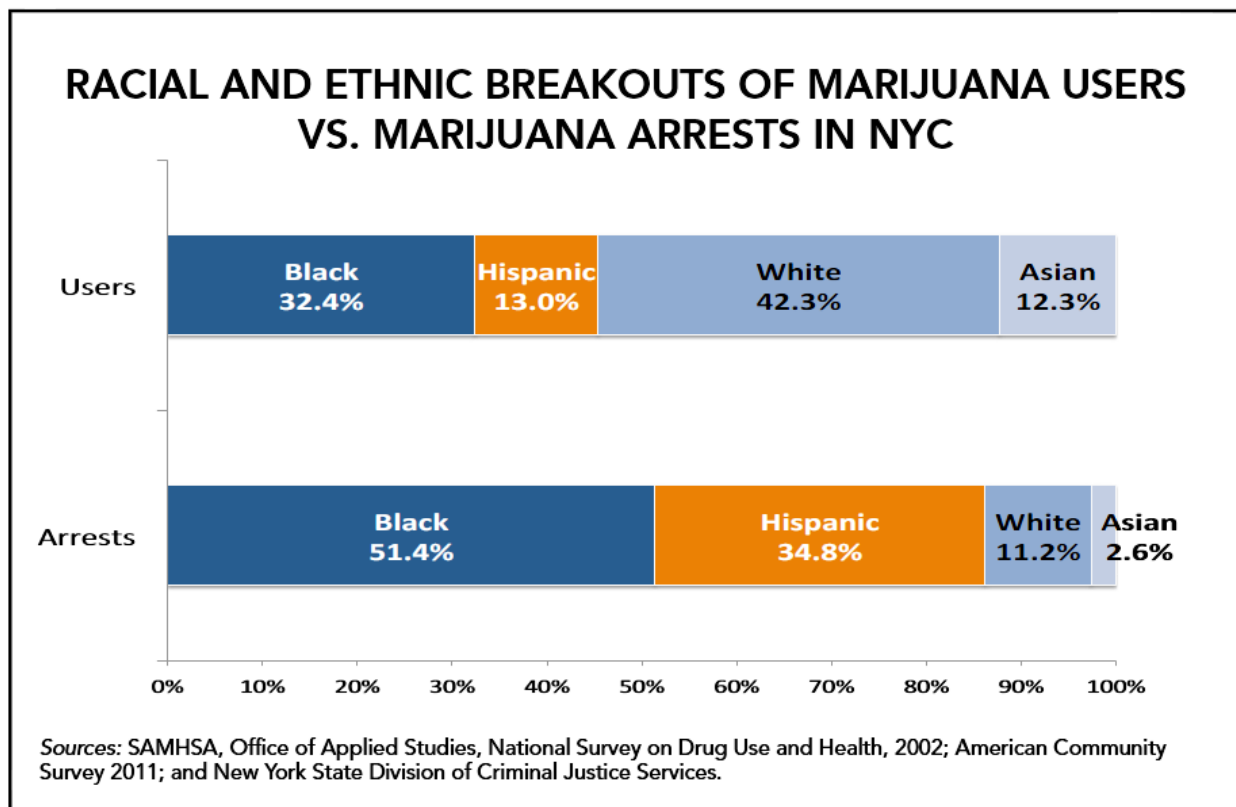
Under Liu's proposal, adults age 21 and over could possess up to one ounce of marijuana, which would be grown, processed, and sold by government-licensed businesses for recreational or medicinal purposes. A strict driving under the influence enforcement policy would be implemented concurrently, and marijuana use in public would be prohibited.

To study issues related to regulation, Liu called for the creation of an interagency task force comprised of the NYPD, Administration for Children's Services, Department of Education, Department of Health and Mental Hygiene, District Attorneys, and Department of Consumer Affairs. The task force would work with the New York State Senate and Assembly in order to pass the appropriate legislation authorizing the full implementation of the plan.

New York City's current market for marijuana is estimated to be around \$1.65 billion annually. Basing its calculations on average consumption rates and the approximate number of users among New York City residents and commuters, the Comptroller's office estimated that taxing

the sale of marijuana would generate approximately \$400 million annually, of which roughly \$69 million would go to the State and MTA in the form of higher sales taxes. The office calculated that the City could save another \$31 million by reallocating time and resources expended by law enforcement and the judicial system on marijuana-related arrests. It did not analyze other economic benefits, such as the reduction in associated incarceration, costs of those arrested, and potential tourist-generated tax revenue. For a detailed explanation of the estimation and methodology, please view [Regulating and Taxing Marijuana: The Fiscal Impact on NYC](#).

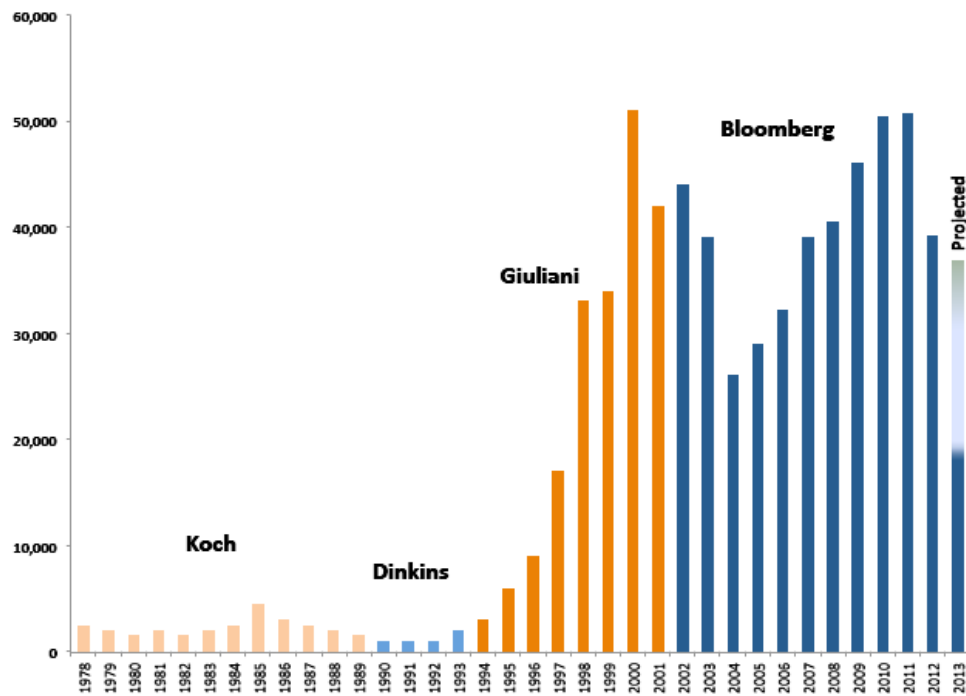
But the social arguments for legalizing marijuana are even more compelling, the study found. Because of stop and frisk, minority communities disproportionately bear the consequences of marijuana arrests in New York City — especially the long-term damage to opportunities for employment, post-secondary education, and housing. Combined, blacks and Hispanics make up 45 percent of marijuana users in New York City, but account for 86 percent of possession arrests. By contrast, whites and Asians constitute 55 percent of users but only 14 percent of arrests. In 2012, 1 out of 627 white New Yorkers was arrested for misdemeanor marijuana possession, compared to 1 out of 175 Hispanics and 1 out of 94 African-Americans.



More than half (56 percent) of marijuana possession arrests in New York City are of those age 25 and under — a group for whom the negative effects of an arrest or criminal record is especially acute. Convictions can affect people’s eligibility for federal student loans and NYCHA housing, and a history of arrest can bar them from many jobs.

Low-level marijuana arrests have skyrocketed during Mayor Bloomberg’s Administration and are directly related to the NYPD’s stop-and-frisk strategy. Since Mayor Bloomberg took office in 2002, there have been almost 460,000 misdemeanor marijuana arrests. The number of these arrests is on track to reach 37,000 in 2013 alone.

MARIJUANA POSSESSION ARRESTS BY ADMINISTRATION



Source: New York State Division of Criminal Justice Services.

Liu's proposal comes on the heels of U.S. Attorney General Eric Holder's announcement that the Administration was overhauling federal sentencing guidelines to eliminate mandatory minimum sentences for non-violent drug offenders. Liu hailed the Holder move as "a solid step forward" but said the plan did not represent enough real progress for New Yorkers because it did not address the need to decriminalize marijuana or the growing conflict between state and federal laws in this area.

Visit www.comptroller.nyc.gov for the latest news, events, and initiatives.
Follow Comptroller Liu on [Twitter](#). To receive Twitter updates via text message, text "follow johncliu" to 40404. View the latest Comptroller's office videos on [YouTube](#).

###