Overview of South Dakota’s adult-use marijuana legalization initiative

Constitutional Amendment A would permit individuals 21 and older to possess and purchase up to an ounce of marijuana. It would create a system, overseen by the Department of Revenue, to license and regulate marijuana businesses and establish a 15% tax on marijuana sales. A significant portion of the revenue raised from the tax would be dedicated to funding South Dakota’s public school system. The measure also requires the legislature to pass laws by 2022 regulating the cultivation, processing, and sale of hemp. The law would not permit consumption of marijuana in public or operation of a vehicle under the influence of marijuana.

Why should South Dakota legalize marijuana for adults?

>> Marijuana prohibition doesn’t work and creates an illicit market.

Making marijuana illegal doesn’t make it inaccessible. It simply pushes control of production and distribution into the shadows of an illicit context. Prohibition thus prevents marijuana from being regulated and taxed, while steering profits to illegal dealers and trafficking organizations.

>> Prohibition wastes public resources while marijuana taxation brings in revenue.

Under prohibition, law enforcement and criminal justice resources are spent on senselessly arresting otherwise law-abiding adults for marijuana. Legalizing marijuana, on the other hand, bolsters states’ budgets. Since legal marijuana sales began in 2014, both Colorado and Washington have generated well over $1 billion new tax revenue from marijuana.

>> Arresting marijuana offenders prevents police from focusing on real crime.

A 2018 study published in the academic journal Police Quarterly showed a higher percentage of violent and property crimes were solved after legalization in both Colorado and Washington.

>> Marijuana is safer than alcohol.

Researchers have consistently concluded that marijuana is less toxic, less addictive, and less likely to contribute to serious medical problems than alcohol. The U.S. Centers for Disease Control and Prevention reports more than 30,000 alcohol-induced deaths per year, including more than 2,000 from acute overdose. It reports zero marijuana-induced deaths each year and there has never been a verified marijuana overdose death in history.
Economic benefits of legalization

>> Legal marijuana is the fastest growing sector of the US economy.

A 2019 report from Whitney Economics, an market research firm, found that there were more than 211,000 full-time jobs in the legal marijuana sector, which is more than the number of bakers in the United States. They also found that 64,000 full-time marijuana-related jobs were created in 2018 alone, a 44% increase in one year.

>> Research shows that legalization has benefited local economies and increased home values.

Recent research from the Colorado State University found that, in Colorado’s Pueblo County, legalization has created a net positive impact of $35 million for the local economy. The authors write, “When compared to other similar communities in states where cannabis is not legal in any form, Pueblo appears to be doing better on a number of measures.” Another recent study found that marijuana legalization increased home values by an average of 6% in Colorado.

>> Six adult-use legalization states are among the top ten economies in the US.

According to the most 2020 rankings from US News and World Report, Colorado had the strongest economy in the country. Washington state, California, Oregon, Massachusetts, and Nevada — all of which have legalized marijuana for adults — were also among the top ten.

Responding to concerns

>> Teen marijuana use has declined in states after passage of adult-use legalization.

In July 2019, the Journal of the American Medical Association published a major report analyzing federal data from more than 1.4 million high school students. The researchers found that legalization of marijuana for adults was associated with an 8% decline in past-30 day marijuana use and a 9% decline in frequent use among teens.

>> Adult use legalization laws are associated with a decline in opioid overdose deaths.

A 2019 study examined how the changing legal status of marijuana has impacted mortality in the United States over the past two decades. Investigators found that legalization and access to recreational marijuana reduced annual opioid mortality in the range of 20% to 35%, with particularly pronounced effects for synthetic opioids.
There is no compelling evidence that adult-use legalization has increased traffic fatalities or impaired driving.

According to data from the Fatality Analysis Reporting System, 4 of the 8 states that have before-and-after data available saw decreased rates of fatal car crashes following passage of legalization laws. These reduced crash rates were greater than the reduction seen on the national level over the same time period.

A paper published by the National Bureau of Economic Research analyzed the rates of drivers found with THC in their systems after fatal car crashes from 2013 to 2016. The researchers then compared the patterns of THC-positive drivers in Colorado and Washington during that time period to those in other states. In a summary of their results, the authors write, “We find the synthetic control groups saw similar changes in marijuana related, alcohol-related and overall traffic fatality rates despite not legalizing recreational marijuana.”

Another study found that alcohol-related car accidents declined significantly in Idaho after passage of adult-use legalization in Washington state. The reduction was most pronounced in counties along the Washington-Idaho border.

The South Dakota initiative would not force employers to change their current drug testing practices.

In Section 3, the adult-use legalization initiative states that the amendment does not “require that an employer permit or accommodate” marijuana use or “affect an employer’s ability to restrict the use of marijuana by employees.”