Memo

To: Public Official

From: Laurent Cortes

cc: Pengju Zhang

Date: 05/12/2025

Re: Legalization of Cannabis and its Benefits to the Public

The current state of cannabis policies in the United States have not been working for government or the people of the country. Current policies that are making cannabis illegal are costing the United States money and hurting communities within it. As more of the states within the country are moving towards legalizing cannabis, it is important to note that the policies are no longer serving the public well. It is with this in mind that we must work towards policies that can bolster state revenues and even rectify social injustices. Ultimately the goals would be to generate fiscal benefits, create jobs, make communities safer, and provide a sense of fairness and justice.

Legalization of cannabis has the potential to bring in millions of dollars into state budgets. Many of the states who have already legalized cannabis are seeing incredible tax revenue alone. In 2023 the State of Colorado saw revenue of $274 million and $255 million in 2024. With millions of dollars of potential tax revenue, states can focus that money on things like schools, healthcare, and community programs. More importantly states that have not legalized cannabis can use data from states like Colorado, who maintain data since 2014, to study the effects of cannabis legalization.

 In legalizing cannabis states can also expect to create hundreds and possibly thousands of new jobs. New jobs can grow the possible number of people with income to spend on other taxable items throughout the state. Not to mention that newly employed people are potential cannabis buyers and that can lead to a more tax revenues for states. With additional tax revenue states can use those in different ways to benefit the people of the state. More importantly by making

cannabis legal states would not have to worry about having to enforce illegal cannabis in the state. Legalization of Cannabis can potentially reduce cannabis related arrest by close to 90%. This becomes important because it not only leads to less incarcerations, but also it frees law enforcement resources to be used for other more pressing issues. Lowering enforcement costs can be a big incentive for states and could further bring in more revenue to use on more important issues.

Among the many benefits that come with legalizing cannabis is the fact that in doing so states help communities. Tax revenue becomes investments in the communities for cities throughout the state. Not only do states get benefits financially, but they also help communities become safer. By legalizing cannabis, they are taking business away from illegal drug dealers and in turn incentivizing drug dealers to leave these communities, thus making the communities safer. The biggest benefit in legalizing cannabis is that states would be able to regulate and tax products. In regulating the products, states could make sure there are safer products out in the market and potentially reduce the dangers that come with buying illegal drugs.

For many years the prohibition of Cannabis led to disproportionate incarceration rates among minority communities. Black people were 3 times more likely to be arrested for cannabis possession than white counterparts even though they have similar usage rates. By legalizing cannabis, we can combat this type of biases. Additionally, it would allow policy makers to focus on creating laws that would eliminate prior convictions of cannabis related arrested. In eliminating prior convictions, it would be able to lift some of the barriers for housing and employment for those that were targeted. These actions can lead to addressing racial disparities and fight the issues that were faced for many years due to disproportionate Cannabis related arrests in the country. Ultimately the elimination of prior convictions related to cannabis can reduce the long-term socioeconomic impacts of affected individuals.

Legalization of cannabis should be a focus for change going forward. This will offer both the government and communities it affects positive outcomes. Government revenue can expect to grow to due to tax revenue collected from cannabis activities. This growth of tax revenue will be an agent for change not only in public administrations throughout, but the communities. If used and reinvested into the communities, we can expect positive changes for everyone involved. There will be no need to fear changes due to the fact that there are plenty of examples of states who have already adopted cannabis policy changes. As stated, before states can look at places like Colorado and its over 10 years of experience. The legalization of cannabis will ultimately improve public administration by making government more efficient, cost effective, data informed and focused on the needs of the public they serve. In the end legalizing cannabis can bring true economic benefits, additional tax revenue, and chance to fix social injustices incurred by previous cannabis persecution.

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