

SB 708 Cannabis – Legalization and Regulation

Senate Finance Committee

March 4, 2021

LETTER OF INFORMATION

SUMMARY:

- We support all of the decriminalization & expungement provisions.
- Cannabis Use Disorder (CUD) occurs in about 10% of cannabis users and causes significant functional impairment similar to other addictions.
- A commercial model of legalization is likely to increase the prevalence of CUD due to industry consolidation, product design, marketing, public relations, lobbying, and “regulatory capture,” as has occurred in the tobacco and alcohol markets.
- Non-commercial legalization can avoid many of these harms. Various models have been used including limiting production and marketing to non-profits, B corporations, buyers’ clubs/co-ops, home cultivation and/or a public authority.
- Regulatory complexity should be avoided through a unitary market of medical and adult-use cannabis as in other states. Complex regulations are less enforceable and are more likely to be circumvented by a powerful commercial industry.
- In a public health framework the Department of Health would be the lead agency with a mandate to minimize all use, with significant limitations on advertising, and with mechanisms to avoid industry influence on policy.
- Taxation should be based on THC content. Otherwise, THC concentrations, which are associated with greater harms, will continue to rise.

I am Joseph Adams, MD, FASAM, an addiction medicine specialist who participated in drafting the policy statement on cannabis by the American Society of Addiction Medicine (ASAM) released October 2020, (1) testifying on behalf of the Maryland-DC Society of Addiction Medicine (MDDCSAM)

MDDCSAM strongly supports all of the decriminalization and expungement measures in the bill. Civil fines also pose severe burdens and should be reduced, which is consistent with ASAM policy.

We are not opposed to cannabis legalization per se. We acknowledge the harms of both the prohibition of legal production, as well as the harms of commercial legalization (primarily CUD). Any legalization of cannabis production and sale **should be done in a way that minimizes the harms of both legalization and of prohibition.**

Most adults have no discernable harms from the use of cannabis. However, cannabis legalization using a commercial model is very likely to increase the prevalence and intensity of **cannabis use among adults, with a consequent increase in cannabis use disorder (CUD). CUD occurs in at least 8-12% of cannabis users**, with even higher rates in more frequent users. (2) (3) (4)

Of cannabis users with CUD, 23% are symptomatically severe (with at least 6 of 11 diagnostic criteria), so CUD is not rare and can be serious. (3). As with other substance use disorders, by definition CUD causes clinically significant impairment or distress, can interfere with the ability to fulfill major role obligations, and can result in an inability to cut down or control cannabis use despite recognition that it is causing significant problems.

To prevent increasing the prevalence of CUD, any cannabis legalization of production and sale should follow a non-commercial model. **The tobacco and alcohol industries** exemplify how powerful commercial entities tend to undermine public health policies through product design, sophisticated marketing and promotion, as well as public relations and lobbying to create a favorable regulatory environment. Largely as a result of these activities, tobacco and alcohol are, respectively, the number one and number three causes of preventable death in the United States. (5) (Cannabis use does not cause mortality). Both industries are incentivized to **promote sales to consumers with hazardous or harmful use of their products who account for a significant proportion of industry profits. Such incentives will also be present in the commercial cannabis industry.**

SB 708 includes no significant barriers to commercial investment and market consolidation.

This is likely to result in weakening of public health regulation through 'regulatory capture' by industry. Consistent with tobacco control best practices (6), a public health framework would require that any person employed by the cannabis industry or any entity working to further its interests should be prohibited from serving on any government body, committee or advisory group that sets or implements cannabis control or public health policy. All advisory committees involved in regulatory and oversight processes should consist solely of public health officials and experts and **limit the cannabis industry's advisory role** to that of a member of the "public." A public health framework would designate the health department as the lead agency **with a mandate to minimize all use (not just in youth)**. As described in the ASAM cannabis policy, various options for non-commercial models of legalization could include limiting production and marketing to nonprofit entities, Benefit corporations, small co-ops, buyers' clubs, home cultivation or a public authority. State store sales of alcohol in seventeen U.S. states have been associated with reduced harms in youth. Four Canadian provinces use state stores for cannabis sales. Tobacco and alcohol markets are controlled by public entities in many nations.

A public health framework would also **avoid regulatory complexity** which favors corporations with financial resources to create and manipulate policies that are difficult to enforce. A simplified, more enforceable regulatory system **would create a unitary market in which all legal sales, regardless of whether for recreational or medical purposes**, follow the same rules, as in other states. (6)

Unlike tobacco or alcohol, cannabis use is relatively safe and is not associated with mortality. However, **the risk of developing harmful addiction to cannabis is similar to the risk of addiction to alcohol.** Efforts to *promote* cannabis consumption as a means of creating wealth or raising tax revenue will inevitably increase the rate of cannabis use, and cannabis use disorder, with severe consequences.

Legalization of adult use of potentially addicting substances can be accomplished without ceding control to powerful commercial industries; there are many examples of this being done in tobacco and alcohol markets, and in some cannabis markets. Non-commercial legalization of production and sale, with enforceable regulations and a robust public health framework, **could avoid a possible surge in cannabis addiction.**

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MDDCSAM is the Maryland state chapter of the American Society of Addiction Medicine whose members are physicians and other health providers who treat people with substance use disorders.