BIG BIG BIG BIG MARIJUANA BIG MISTAKE



Paid for by Big Marijuana. Big Mistake. Vote No on 2, Anchorage, AK

Others Opposing Ballot Measure 2

Alaska Asthma Coalition Alaska Academy of Family Physicians Alaska Association of Chiefs of Police Alaska Association of Peace Officers Alaska Conference of Mayors Alaska Native Village CEO Association Alaska Regional Hospital Alaska Republican Party Alaska Chamber The Alaska Support Business Alliance (Alliance) **Bay Marine Surveyors Bristol Bay Borough** City of Ketchikan Chenega Corporation **Doyon Limited** Four Seasons Marine Services Greater Ketchikan Chamber of Commerce Haines Borough Ketchikan Wellness Coalition Major Marine Tours Premier Alaska Tours Swan Employer Services Usibelli Coal Mine Yukon-Kuskokwim Health Corporation Yupiit Nation

Cause for Concern – It's all about the fine print!

- "Marijuana" means all parts of the plant of the genus cannabis whether growing or not, the seeds thereof, the resin extracted from any part of the plant, and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or its resin, including marijuana concentrate.
- "Marijuana accessories" means any equipment, products, or materials of any kind which are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, composting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, vaporizing, or containing marijuana, or for ingesting, inhaling, or otherwise introducing marijuana into the human body.
- "Marijuana products" means concentrated marijuana products and marijuana products that are comprised of marijuana and other ingredients and are intended for us or consumption, such as, but not limited to, edible products, ointments, and tinctures.

"But it's just a plant..."

Extremely potent marijuana concentrates (80-90% THC) would be completely legal



"Green Crack" wax



"Ear Wax"



Butane Hash Oil (BHO)



Hash Oil Capsules





Making Butane Hash Oil Concentrates

Marijuana is first saturated with the toxic chemical, butane. Acting as a solvent, the butane strips the marijuana of its resin and THC. The extracted chemical mixture is then combined with grain alcohol and the explosive concoction is "cooked" to concentrate the product further. The resulting concentrate ("Budder", "Shatter", "Ear Wax", etc.) is nearly pure THC.



Smoking Concentrates – "Vape Pen"

"Students Find Way To Secretly Smoke Marijuana In Class" - CBS 4 Denver

Initially designed as a tobacco cessation device, E-cigarette-like devices are now being used to vaporize marijuana concentrates and are becoming **extremely popular, particularly among youth**. "Vape pens" are filled with a marijuana concentrate and an electric element vaporizes the concentrate instantly when inhaled. They **produce relatively no smell or smoke**.

> "A recent CDC poll revealed that the number of middle and high school students surveyed who admitted to trying vapes doubled in just one year, to nearly two million in 2012."

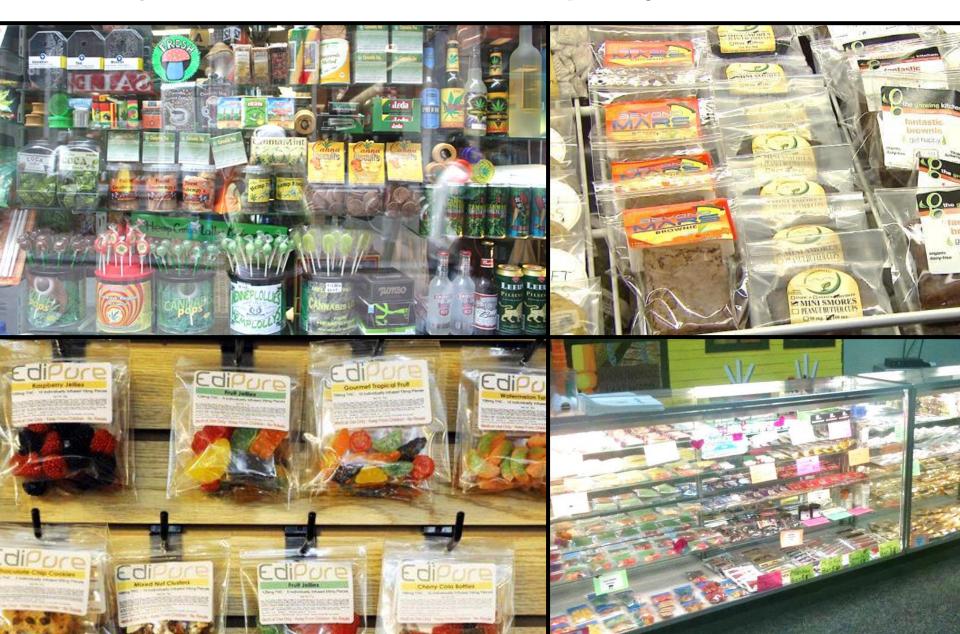
"A CDC study found about 160,000 of those students who experimented with vaporizers had never smoked an actual cigarette." - NBC 1/14/2014

"We are getting **people buying vape pens who wouldn't normally come into a dispensary**. Now, all of a sudden, they have an alternative." – Todd Mitchem, Executive, O.pen Vape

Potent marijuana edibles attractive to children would be legal



Marijuana Edible Displays





Advertising and Commercialization









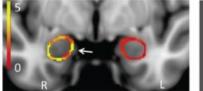
Children Exposed to Pro Marijuana Ad at the Alaska State Fair

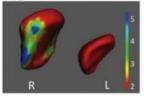


Marijuana is NOT "harmless"

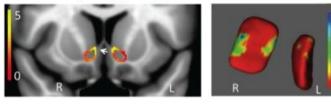
Two recent studies conducted by Northwestern University link marijuana usage with causing brain abnormalities.

A Surface Morphology (Shape): Right Amygdala





B Surface Morphology (Shape): Nucleus Accumbens



"Marijuana Users Have Abnormal Brain Structure and Poor Memory"

Northwestern University scientists found marijuana use causes brain abnormalities that resemble those found in people with schizophrenia. Further, the findings suggested youth are particularly at risk as their brains are at a critical developmental stage. - "Marijuana Users Have Abnormal Brain Structure and Poor Memory", Northwestern University, December 16, 2013

"Casual Marijuana Use Linked to Brain Abnormalities in Students"

Another Northwestern study, published in the Journal of Neuroscience in April 16, 2014, finds that **young adults who used marijuana only recreationally showed significant abnormalities** in two key brain regions that are **important in emotion and motivation**.

Both these regions in recreational pot users were abnormally altered for at least two of these structural measures. The degree of those alterations was **directly related to how much marijuana the subjects used**.

- "Cannabis Use Is Quantitatively Associated with Nucleus Accumbens and Amygdala Abnormalities in Young Adult Recreational Users", The Journal of Neuroscience, April 16, 2014.

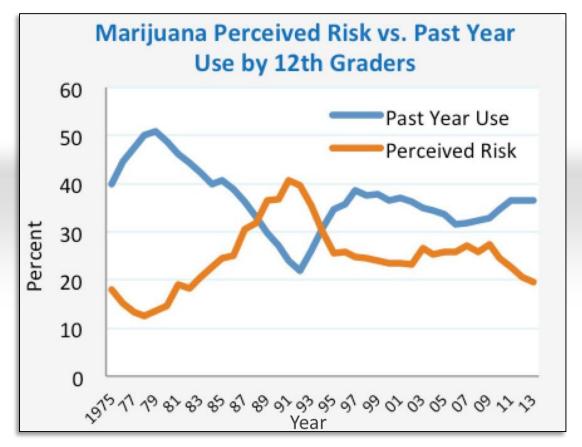
"I've developed a severe worry about whether we should be allowing anybody under age 30 to use pot unless they have a terminal illness and need it for pain." - Hans Breiter, M.D., Psychiatry and Behavioral Sciences Professor, Northwestern University

Workplace Productivity

- Unlike alcohol, there are NO appropriate standards and testing available for marijuana--there is no way to ensure workforce safety, readiness and productivity.
- Alaska's workers' compensation costs are already the highest in the nation.
- Workers who test positive for marijuana use have 55% more industrial accidents, 85% more injuries and a 75% increase in absenteeism compared to non-smokers (Journal of the American Medical Association)
- Future employees: Youth who start marijuana use in adolescence, have a 1 in 6 chance of addiction

Perceived Risk vs. Usage

Marijuana usage among teens is on the rise, while perceived risk is in free fall. Efforts to legitimize the recreational use of marijuana sends a dangerous message to teens that "legal" equals "safe". Expect this divergence to accelerate...

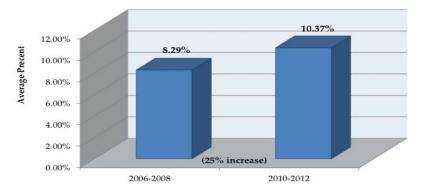


Source: University of Michigan, 2013 Monitoring the Future Study

Youth Use Up in Colorado

Risk Behavior Survey (YRBS). However, Colorado did not have a Sufficient for the survey participants to be included in the 2014 YRE 37 reoft. 166 Lorado Department of Public Health and Environment (CDPHE) is in the process of finalizing the Healthy Kids Colorado Sur Unfortunately, due to some delays, the report will not be completed i time to be included in this Rocky Mountain HIDTA report. A revised of Supplemental report, with the results from the Healthy Kids Colorado Survey, will be disseminated once the survey has been finalized.

> Average Past Month Use of Marijuana Ages 12 to 17 Years Pre- and Post-Medical Marijuana Commercialization Year (2009)



OURCE: Data from SAMHSA.gov, National Survey on Drug Use and Health 2013

ECTION 2: Youth Marijuana Use Pag he Legalization of Marijuana in Colorado: The Impact Vol. 2/Augus

Youth (Ages 12 to 17 Years)

WHY ALASKA? WHY NOW? Follow the money...

Why Alaska? Why Now?



Because the Washington D.C. based, Marijuana Policy Project (MPP) added Alaska to it's strategic plan. The **sole reason** we are having this initiative vote is because MPP decided Alaska is the next state they *think* they can conquer. Alaska is simply a **pawn in their national strategy to bring Big Marijuana everywhere**.

MPP formed the campaign and then **hired signature gatherers** (who are typically **paid per signature**) to stand outside businesses and badger Alaskans into signing their petition.



MPP has hired the **Seattle based** marketing firm, Strategies 360, to push the commercialization and industrialization of marijuana on Alaskans.

To date, **MPP has provided nearly 100% of the campaigns funding**. **Roughly \$700,000 and counting** and sent a staff member to Alaska to coordinate field activities.

"...the campaign is committed to raising and spending <u>whatever it takes to win</u>..." - Taylor Bickford, Strategies 360 employee and Yes on 2 campaign spokesperson

Not Just Any Nonprofit



Proponents argue that the Marijuana Policy Project is simply a "nonprofit" to dismiss the fact that outside money is funding their campaign. What they cannot deny is that the MPP and the proponents do not care about Alaskans. Here's a quote from the MPP's Executive Director.

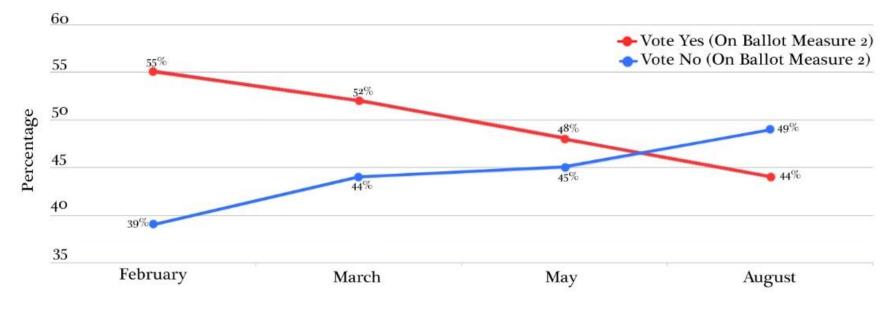
"While most people <u>don't care about Alaska</u>, everyone seems to agree that we cannot afford to lose a statewide legalization vote just two years after the twin victories in Colorado and Washington," Kampia said. "We absolutely must win in Alaska, lest reporters declare the legalization movement to be backsliding."

- Rob Kampia, Marijuana Policy Project, Marijuana Business Daily, August 22, 2014.

It Is Backsliding

A Recent Poll Shows That More Alaskans Would Vote No on 2 If the Election Were Held Today (Sources: Public Policy Polling & Alaska House Majority Poll)

Ballot Measure 2 Poll Percentages



Source: Public Policy Polling (PPP)

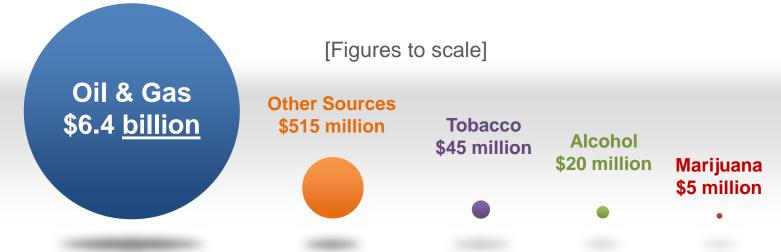
MYTH vs. FACT Yes on 2 Arguments Don't Hold Water

Myth # 1: "Will bring in huge tax revenue"

Colorado's estimates of tax revenue fell short from \$32 million in the first six months of 2014 to only \$12 million. Lawmakers are already looking at amending their marijuana laws.

If Alaskans purchased marijuana at the same rate as Coloradans, we could expect about \$5,100,000 in tax revenue <u>annually</u>.

To put this in perspective, here is a breakdown of Alaska's FY 2013 Unrestricted General Fund Revenue + potential marijuana tax revenue:



And this is before accounting for:

- Colorado's per ounce tax on marijuana is on average 36% higher than the proposed tax in Alaska's initiative.
- Significant admin costs, e.g. Marijuana Control Board, tax collection, regulation enforcement.
- Significant cost for drug treatment, youth prevention, heathcare costs, etc.
- A considerable portion of Colorado's marijuana purchases are made by out-of-state residents through "pot tourism" – something we would not see here to remotely the same extent.

Myth # 1: "Will bring in huge tax revenue"

The State of Alaska estimates the cost of implementing this initiative at around **\$7 million**.

Other (likely annually recurring) costs included in this figure:

- **\$1,100,000** Increased substance use, dependency and addictions treatments; increased mental health treatment services.
 - **\$400,000** Increased physical health services.
 - **\$140,000** Increased enforcement of marijuana access by youth.
 - **\$250,000** Increased child protection services for young children in homes with regular and persistent marijuana users.
 - **\$200,000** Increased juvenile justice services.
 - **\$594,400** Increased Statewide Drug Enforcement Unit trooper investigators to target diversion and exportation of marijuana (AST predicts illegal commercial marijuana growing operations will continue to exist and legalization could increase opportunities).
 - **\$607,500** Launching a public education campaign on the dangers of driving under the influence ("the number of individuals driving under the influence of marijuana is expected to increase.") Plus other costs of DUI enforcement.



Myth # 1: "Will bring in huge tax revenue"

The Alaska Police Chiefs Association estimates an additional expenditure of **\$6 million**.

- Of the police chiefs surveyed, 75 percent said if marijuana were legalized they would not have the resources needed to deal with the potential impact to their communities. (Source, Alaska Dispatch)
- The \$6 million projection is a conservative estimate that takes into account the costs of training patrol officers to be more aware of drivers under the influence of marijuana, among other things.
- The survey also found that many chiefs expressed that they would have to add school resource officers to increase drug awareness programs among youth.

Myth # 2: "Eliminates the black-market"

The black-market is still thriving in Colorado.

"Legal" pot also supplies a black-market aimed at those who can't purchase "legally" – Those under age 21.

"Low-cost street weed gives legal vendors heartburn"

- North Colorado Business Report, 4/18/2014

"It has done nothing more than enhance the opportunity for the black market. If you can get it tax-free on the corner, you're going to get it on the corner." - Lt. Mark Comte, Colorado Springs Police Vice and Narcotics Unit. – USA TODAY, 4/4/2014



"So this whole legalization thing has not hurt your business? No, **if anything it's helped it**... Cause it's overpriced and it's being taxed way too high..."

- "A conversation with a drug dealer", Harry Smith, CNBC, 2/14/2014

"It's not an industry that's sustainable if the price stays where it is. It's too easy to get it, apparently, from black-market dealers." - Lead economist, Colorado State University Colorado Futures Center, 4/18/2014

Myth # 3: "Alaskans want and support this"

Existing polling shows more Alaskans would vote No on 2 at 49% over the proponents at 44%

However, the vast majority of Alaskans have **NO IDEA** what the initiative would actually do.

There has been **no messaging** and **no public polling on** "Dabbing", Butane Hash Oils, "Budder", "Shatter", "Ear Wax", marijuana edibles, etc.

Alaskans have not heard of these things. They do not know the initiative legalizes them. They do not know the initiative will result in the full-blown commercialization and industrialization of marijuana. They don't know Big Marijuana will be much like Big Tobacco.

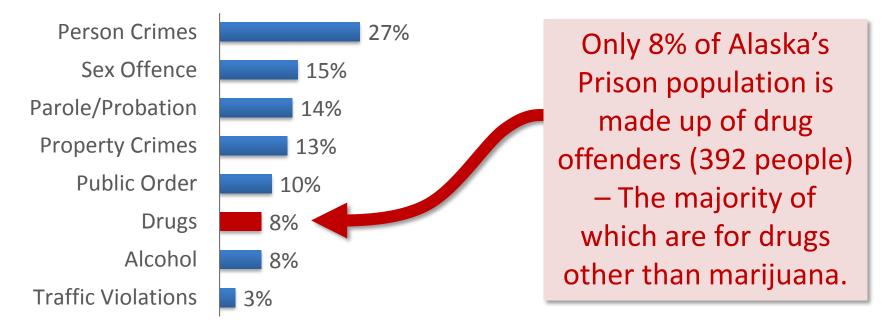
Once Alaskans are made aware of the serious implications of this initiative, they will reject it by a larger majority.

Myth # 4: "We're wasting millions locking up innocent pot smokers"

We do not have a marijuana incarceration problem in Alaska.

Alaska has, at any given time, approximately 4,900 people in prison.

Alaska Prison Population by Offence



Colorado is having serious issues

- "Colorado lawmakers advanced a measure to broaden a ban on certain types of edible marijuana to include products that mimic other foods or candies."
 – ABC 7 Denver, 4/17/2014
- "Colo. lawmakers get blunt, move to tighten marijuana rules after two deaths"

The Colorado House <u>passed unanimously</u> bills to set <u>possession limits for</u> <u>concentrated forms of marijuana such as hash oil</u>, and to make cookies, candy and other foods infused with pot more easily identifiable. – Washington Times, 4/21/14

The initiative being pushed on Alaskans is flawed, and if passed by voter initiative, the the State Constitution prohibits the Alaska Legislature from passing measures (such as those Colorado is already moving forward with) for 2 years.

Bottom Line

- There are way too many serious questions with this initiative.
- Many unintended consequences: homelessness up, youth use up, increased black market.
- Colorado's and Washington's experiment are in their infancy. Alaska should wait to see how things go there before rushing into this.
- Even the Governor of Colorado says...wait, learn from Colorado

What is the Rush?