

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

MARIJUANA LEGALIZATION. INITIATIVE STATUTE. Legalizes marijuana under state law. Creates office and commission to license and regulate marijuana industry. Imposes state taxes of \$2 per square foot of marijuana cultivation, \$1 to \$15 per ounce of marijuana production, 10% of retail sales price for edible marijuana products and concentrated extracts, and 5% for other retail sales. Imposes additional 5% local tax on retail sales. Exempts medical marijuana from some taxation. Provides for collection of taxes by State Board of Equalization. Authorizes resentencing and destruction of records for prior marijuana convictions. Allows limited local regulation of marijuana. Eases state restrictions on industrial hemp farming. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Net reduced costs ranging from tens of millions of dollars to potentially exceeding \$100 million annually to state and local governments related to enforcing certain marijuana-related offenses, handling the related criminal cases in the court system, and incarcerating and supervising certain marijuana offenders. Additional state and local tax revenues potentially ranging from the high hundreds of millions of dollars to over \$1 billion annually related to the production and sale of marijuana, most of which would be required to be spent for specific purposes such as education, environmental protection, marijuana-related research, and substance use treatment.**

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