Marijuana Regulation: Impact on Health, Safety, Economy

The enactment of adult use cannabis regulation is not associated with significant upticks in marijuana use by adolescents

“The overall percentage of students who reported using marijuana at least 1 time during the previous 30 days in 2019 was not measurably different from the percentage in 2009 (21 percent)... There was no measurable difference between 2009 and 2019 in the percentage of students who reported that illegal drugs were made available to them on school property.”
National Center for Education Statistics, Marijuana Use and Illegal Drug Availability, May 2021

“Canada legalized recreational cannabis use for adults on October 17, 2018 with decision-makers emphasising the need to reduce cannabis use among youth. We sought to characterize trends of youth cannabis use before and after cannabis legalization… In the longitudinal sample, no significant differences in trends of cannabis use over time were found between cohorts for any of the three use frequency metrics. Therefore, it appears that cannabis legalization has not yet been followed by pronounced changes on youth cannabis use.”
Trends in youth cannabis use across cannabis legalization: Data from the COMPASS prospective cohort study, Preventive Medicine Reports, 2021

The establishment of cannabis retailers is not associated with upticks in criminal activity

“Our analyses show that RMLs [recreational marijuana laws] increase adult marijuana use and reduce drug-related arrests over an average post-legalization window of three to four years. There is little evidence to suggest that RML-induced increases in marijuana consumption encourage the use of harder substances or violent criminal activity.”
Is recreational marijuana use a gateway to harder drug use and crime? National Bureau of Economic Research, 2021

Medical cannabis access laws are not associated with adverse effects on traffic safety

“This study examined the association between cannabis legalization (medical, recreational use, and recreational sales) and fatal motor vehicle crash rates (both pedestrian-involved and total fatal crashes). … We found no significant differences in pedestrian-involved fatal motor vehicle crashes between legalized cannabis states and control states following medical or recreational cannabis legalization. Overall findings do not suggest an elevated risk of total or pedestrian-involved fatal motor vehicle crashes.”
An examination of relationships between cannabis legalization and fatal motor vehicle and pedestrian-involved crashes, Traffic Injury Prevention, 2020

“This paper reports a quasi-experimental evaluation of California’s 1996 medical marijuana law (MML), known as Proposition 215, on statewide motor vehicle fatalities between 1996 and 2015. … We found that legalizing medical marijuana in California led to a sustained reduction in statewide motor vehicle fatalities.”
Adult-use marijuana laws have generally been associated with few changes in traffic safety, though more recent studies have yielded less consistent findings.

“We found that the rate of positive cannabinoid screen results among patients with trauma referred directly to our trauma service was similar in the 3 months before and [in] the 3 months after the legalization of recreational cannabis in Canada. … These preliminary single-centre data showing no increased rates of cannabis use in patients with trauma after legalization are reassuring.”

Drug use in Canadian patients with trauma after cannabis legalization, Canadian Journal of Surgery, 2021

Marijuana regulation is not associated with adverse effects on workplace performance or safety

“We evaluate the effect of RMLs [recreational marijuana laws] on WC [workers’ compensation] benefit receipt and WC income over the period 2010 to 2018… Our results show a decline in WC benefit propensity of 0.18 percentage points (‘ppts’), which corresponds to a 20.0% reduction in any WC income, after states legalize marijuana for recreational use.”


Marijuana regulation is associated with declining alcohol consumption

“We use data on purchases of alcoholic beverages in grocery, convenience, drug, or mass distribution stores in US counties for 2006-2015 to study the link between medical marijuana laws and alcohol consumption… We find that the legalization of medical marijuana reduces alcohol consumption. … States legalizing medical marijuana use experience significant decrease in the aggregate sales of alcohol, beer and wine.”

Helping settle the marijuana and alcohol debate: Evidence from scanner data. SSRN Working Paper, 2017

Marijuana regulation is associated with increased tax revenue and job creation

“America’s 11 operating adult-use markets and 27 medical-only states combined to sell $24.6 billion worth of cannabis products in 2021. Last year also marked the first year that cannabis job creation hit triple figures. After adding 32,700 jobs in 2019 and 77,300 jobs in 2020, the industry added 107,059 new jobs in 2021…. While legal cannabis now supports 428,059 jobs, the total employment potential in a mature US legal cannabis market is approximately 1.5 million to 1.75 million workers. The economic and employment potential for legal cannabis remains quite bright for many years to come.”

Leafly/Whitney Economics, 2022 Jobs Report, February 2022

Retail cannabis facilities are associated with rising housing values

“To learn how marijuana legalization may impact real estate, we used publicly available data from Zillow and the U.S. Census, among other sources… We found that cities with more dispensaries are positively correlated with higher home values, suggesting legalization boosts jobs and economic growth.”

Clever Real Estate: Data Science, “2021 Study: How Legalizing Recreational Marijuana Impacts Homes Values,” July 12, 2021