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Retired judge: The promise and progress of social justice under New Jersey's cannabis law | Opinion

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A retired New Jersey assignment judge says cannabis and social justice are closely connected. The judiciary has an initiative to expunge more than 360,000 marijuana offenses from court records and vacate 88,000 convictions.

By Julio Mendez | Mosaic guest columnist

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Landmark legislation was enacted two years ago providing for the legalization and decriminalization of adult-use cannabis in New Jersey. Voters overwhelmingly passed a constitutional amendment making the manufacturing, transferring and consumption of cannabis by persons at least 21 years of age legal.

The laws allow for marijuana to be regulated and consumed like alcohol and tobacco. They have an economic development underpinning. Importantly, they also include criminal justice reform and a social equity foundation.

Cannabis and social justice are closely connected. The law aims at repairing past harms resulting from uneven drug-law enforcement in minority communities and creating a more equitable and just approach to cannabis regulation and economic development of the business.

The equity programs seek to ensure that communities adversely impacted by the War on Drugs have a fair opportunity to participate in the legal cannabis industry, but they are moving in slow motion.

New Jersey gets an A for its social equity aspirational goals. But in practice, social equity initiatives providing business opportunities to impacted individuals and communities are facing significant hurdles.

Overregulation, a slow licensing process, limited access to capital and credit, and high costs of doing business are among the reasons cited for the slow progress. Would-be equity entrepreneurs may not have the resources to hire lawyers and professionals, or have the capital, that big companies use to navigate the approval process.

On the other hand, the criminal justice reform component of the law has achieved great success.

For decades, minor marijuana possession arrests led to mass incarceration and criminalization. Often young people, disproportionately from minority communities, were arrested and got a criminal record, with all the negative consequences.

In 2017, close to 38,000 marijuana arrests were made in New Jersey – two-thirds of all arrests by some police departments. According to crime statistics, New Jersey had one of the highest rates of marijuana arrests in the nation.

With each conviction came negative consequences: impacts on jobs, the inability to obtain a driver's license, the burdensome cost of fines and fees, and often people getting caught in a never-ending cycle of incarceration.

The legislation not only put a stop to the massive number of arrests for minor offenses but provided a way to vacate sentences and for the expungement of convictions for certain prior offenses.

The New Jersey judiciary launched an initiative authorized by the new law <u>to expunge</u> more than 360,000 marijuana offenses from court records and vacated 88,000 convictions.

The state is also seeing tremendous progress on the business side of cannabis. According to a poll by the William J. Hughes Center for Public Policy at Stockton University, <u>one-third of New Jersey adults</u> have used cannabis products since recreational weed was legalized a year ago with most users buying products in an approved dispensary. This is a huge customer base.

In the second quarter of 2023, New Jersey reported combined <u>cannabis sales of \$193 million</u>. With sales growth at close to 40%, within a year annualized revenue could reach \$1 billion.

According to Stockton Cannabis program Professor Robert Mejia, in five years the expected revenue could reach \$5 billion. Mejia also estimated that 7,000 jobs are connected to the cannabis industry, and that number could reach 30,000 jobs in five years.

There are about <u>66 cannabis retail sales stores.</u> That number is slowly increasing. Mejia points out that in five years New Jersey could have 500 or more cannabis retail stores. As a comparison, New Jersey has 1,500 liquor stores.

Despite the progress, there are several challenges to the growth of the cannabis industry. At a recent Stockton University forum, experts highlighted concerns about overregulation and the need to streamline the licensing process. This especially hurts social equity applicants. Other concerns are the unavailability of capital and high interest rates.

Municipalities in New Jersey can enact their own rules and restrictions, including whether to allow dispensaries to operate. Close to 70% of towns do not allow retail sales.

New Jersey has among the most expensive marijuana in the country at about \$450 per ounce. The unlicensed illegal market pricing is lower. That is a problem that threatens legal operators.

Despite the growing pains, the slow regulatory process and high cost of doing business, the new cannabis industry has much to celebrate in terms of economic development, job creation and particularly the positive impact of decriminalization. A full assessment,

though, must measure the success of equity programs that truly benefit impacted communities.

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