

**THE CIVIC FEDERATION  
AND THE FEDERAL RESERVE  
BANK OF CHICAGO  
PRESENT**

# **CANNABIS LEGALIZATION:**

## **FISCAL POLICY AND ADMINISTRATIVE ISSUES**

**FRIDAY, APRIL 24, 2020**

**8:00 A.M. - 1:30 P.M.**

**FEDERAL RESERVE BANK OF CHICAGO  
230 SOUTH LASALLE STREET, 3RD FLOOR  
CHICAGO, ILLINOIS**





# AGENDA

7:30 a.m. to 8:00 a.m.

## REGISTRATION AND CONTINENTAL BREAKFAST

Badge Pick Up and Security Inspection in the Lobby

8:00 a.m.

## WELCOME

Leslie McGranahan, Vice President and Director of Regional Research,  
*Federal Reserve Bank of Chicago*

8:10 a.m.

## A PRINCIPLED APPROACH TO TAXING MARIJUANA

Professor Jonathan P. Caulkins, *Carnegie Mellon*

8:30 a.m. - Q&A

8:45 a.m. - BREAK

9:00 a.m. to 10:30 a.m.

## PANEL 1 : REVENUE MADNESS: HOW DO STATES FORECAST, IMPLEMENT AND SPEND CANNABIS TAXES?

The potential of recreational cannabis to generate significant governmental revenue has been part of the debate over legalization across the United States. However, no state taxes cannabis exactly the same way as any other and there are also differences in how the proceeds are supposed to be spent. How have states made and revised revenue projections given the lack of initial data on the size of supply and demand? How have taxation regimes and distribution of tax revenue changed since Colorado became the first state to start retail recreational cannabis sales in 2014? What has worked and what hasn't?

### MODERATOR

TBA

### PANELISTS

Len Becker, Economic Development Manager, *Village of Skokie*

Mary Murphy, Project Director, Fiscal and Economic Policy, State Fiscal Health,  
*The Pew Charitable Trusts*

The Honorable Heather Steans, *Illinois State Senator*

10:30 a.m. - BREAK

10:45 a.m. to 12:15 p.m.

**PANEL 2 : EXPECTING THE UNEXPECTED: THE ADMINISTRATION  
OF RECREATIONAL CANNABIS**

While the potential revenues that would come from cannabis legalization are top of mind to voters and legislators, the costs to a state associated with administration, compliance and potential social impacts are generally less discussed and may extend to neighboring states that do not legalize. Additionally, the lack of access to banking for cannabis businesses means they must operate on a cash basis, which has many negative consequences including making cannabis businesses a target of crime and that can extend to the myriad of associated industries such as transportation and real estate firms that work with cannabis businesses. How do states calculate and pay for these associated costs? Are they offset by a shrinking of the black market and law enforcement costs of prohibition?

**MODERATOR**

TBA

**PANELISTS**Wendy Berger, Director, *Green Thumb Industries*Andrew Brisbo, Executive Director, *Michigan Marijuana Regulatory Agency*Rick Garza, Agency Director, *Washington State Cannabis and Liquor Control Board*12:15 p.m. - **BREAK**

12:20 p.m.

**LUNCHEON AND KEYNOTE****THE SOCIAL AND EQUITY GOALS OF ILLINOIS'  
RECREATIONAL CANNABIS LAW**

The Honorable Toi Hutchinson  
*Special Adviser on Cannabis Control to Governor JB Pritzker*

1:30 p.m. - **ADJOURNMENT****FOLLOW US ON SOCIAL MEDIA**

@CivicFederation  
@ChicagoFed



Civic Federation  
Federal Reserve Bank of Chicago