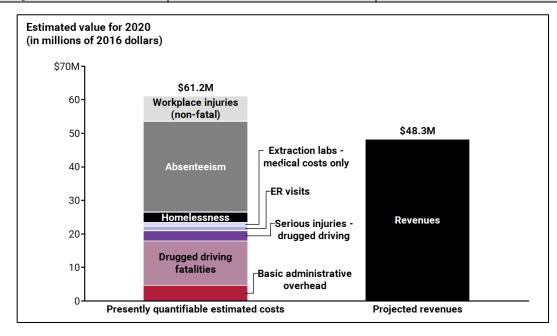


WORKING PAPER ON PROJECTED COSTS OF MARIJUANA LEGALIZATION IN RHODE ISLAND April 2017

Executive Summary

• Even a conservative estimate of a few projected economic and social costs of marijuana legalization in Rhode Island total \$61.2 million for 2020, exceeding the revenues projected by pro-legalization activists by over 25 percent:

Cost center	Projected annual cost	Percentage of projected revenues
Regulatory costs	\$4.7 million	9.7%
Increased drugged driving fatalities	\$13.2 million	27.3%
Increased drugged driving serious injuries	\$3.1 million	6.4%
Increased ER visits	\$1.3 million	2.7%
Marijuana concentrate extraction lab explosions	\$1.1 million	2.3%
Increased homelessness	\$3.1 million	6.4%
Workplace: Absenteeism	\$27.1 million	56.1%
Workplace: Injuries (full-time employees)	\$7.6 million	15.7%
TOTAL	\$61.2 million	126.6%
Plus additional, presently unquantifiable costs	Unknown	Unknown





- Rhode Island's business community and employees will bear much of these costs, in the form of increased absenteeism and workplace accidents. As most people injured in serious drug-related workplace accidents are co-workers of the drug-using employee or other third parties, this will affect the state's workforce broadly.
- The above numbers represent a very conservative model, and **do not include a large list of other likely costs,** including:
 - o Additional workplace injuries among part-time employees
 - o Increases in alcohol use and abuse
 - o Increases in tobacco use
 - More opioid abuse
 - o Increases in short-term/long-term recovery for marijuana use disorders
 - o Greater marijuana use among underage students
 - o Property and other economic damage from marijuana extraction lab explosions
 - o Controlling an expanded black market, sales to minors, and public intoxication
 - Other administrative burdens of most state legalization programs, such as:
 - money for drugged driving awareness campaigns;
 - drug prevention programs; and
 - pesticide control and other agricultural oversight mechanisms
 - o Long-term health impacts of marijuana use

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