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## Introduction

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Discussions about fundamental marijuana policy reform are becoming very serious in the United States and abroad. While alternatives to marijuana prohibition have been discussed for years in dorm rooms and at dinner parties, these debates are now occurring in town halls, state capitols, and federal hearing rooms.

On November 6, 2012, voters in Washington state passed Initiative 502 (I-502) which removed the prohibition on the production, distribution, and possession of marijuana for non-medical purposes and required the state to tax and regulate the newly legal industry.<sup>1</sup> Outgoing Washington Governor Christine Gregoire signed I-502 into law on December 6, 2012. This made it legal under state law for anyone aged 21 years or older to possess up to one ounce of marijuana, 16 ounces of marijuana-infused product in solid form, or 72 ounces of marijuana-infused product in liquid form.<sup>2</sup> The truly revolutionary aspect of the law—allowing businesses to openly produce and distribute commercial-scale quantities for non-medical use—is expected to be fully implemented in 2014. At the time of this writing, the Washington State Liquor Control Board is finalizing decisions about how the marijuana industry will be regulated.<sup>3</sup> Once operational, a 25-percent tax will be levied at three different levels (producer, processor, and retailer) and the revenues will be used to fund substance use treatment, prevention, research, and other activities.

While marijuana remains illegal under federal law, the U.S. Department of Justice announced in August 2013 that—for now—it would not block the implementation of state legalization in Washington and other states with “strong and effective regulatory and enforcement systems” (Cole, 2013). It is expected that licenses for marijuana businesses in Washington will be distributed in early 2014 and the I-502 marijuana production facilities and stores will open during the first half of 2014. Legal marijuana stores will open in Colorado on January 1, 2014, and we expect other states will put legalization measures on the ballot in 2014 and 2016.

Since no jurisdiction in the modern world has removed the prohibition on marijuana and allowed for-profit companies to produce and distribute marijuana for nonmedical purposes—not even the Netherlands—those tasked with regulating the industry confront questions that have never been addressed. One of the critical decisions is to determine how much marijuana

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<sup>1</sup> Colorado voters also passed an initiative to legalize marijuana production, distribution, possession, and use in 2012 (Amendment 64).

<sup>2</sup> Producing without a license remains illegal, and Washington’s new law (unlike Colorado’s Amendment 64) does not allow for home production; however, Washington residents with a medical marijuana recommendation were already allowed to possess up to 24 ounces of usable marijuana and to cultivate up to 15 cannabis plants.

<sup>3</sup> See Washington State Liquor Control Board (2013) for the most recent version of the rules.

should be produced, since that directly influences what happens to consumption, prices, government revenues, and possible diversion to other jurisdictions.

Making informed decisions about production requires knowledge about how much marijuana is currently consumed, and this report presents estimates for Washington state in 2013. This is not a straightforward task since general-population surveys are notorious for underestimating consumption; some users misreport, some refuse to take the survey, and some are not covered by the sampling frame (e.g., Fendrich, Johnson, Wislar, Hubbell, & Spiehler, 2004; Harrison Martin, Enev, & Harrington, 2007). Furthermore, most surveys do not inquire about the amount of marijuana consumed during a use day, and when they do, they typically do not account for sharing.

Given these concerns, this report provides an extensive analysis of undercounting/misreporting in general-population surveys and customizes a range of adjustment factors for Washington in 2013. It also presents results from a new web-based survey that was specifically designed to improve understanding of how much marijuana users in Washington consume and how they obtain this marijuana. The survey not only asked respondents how much they spent and used; it also presented them with scaled pictures of marijuana buds and ground material to improve the accuracy of their responses about weights consumed. It also included multiple questions that sought to get at the issue of sharing.

This report is organized as follows: Chapter Two presents estimates of the size of the marijuana market in Washington in 2013. The focus is on ranges rather than a specific point estimate, given the large amount of uncertainty underlying these figures. Chapter Three estimates how these users are distributed across Washington's 39 counties. Chapter Four presents an exploratory descriptive analysis of marijuana users in Washington and how they obtain marijuana. The report also includes three methodological appendixes, which can be found at [http://www.rand.org/pubs/research\\_reports/RR466.html](http://www.rand.org/pubs/research_reports/RR466.html).