

Happy 420!

BY JEFF VONKAENEL / jeffv

jeffv@newsreview.com

Happy national "Weed Day" and welcome to our annual Sacramento News & Review

our annual Sacramento News & Review 420 Issue. This issue always has extra pages and extra distribution, making 420 a happy day for me.

Over the last 10 years, after youthful pothead President Barack Obama said he would deemphasize federal prosecution of medical marijuana, I have had a front row seat to the business of medical cannabis and now legalized marijuana. Our paper has had pages of cannabis ads and we have written hundreds of stories on the magical weed.

I have a few 420 observations.

1. There should be no taxation without bank representation. How can the federal government insist on one hand that marijuana growers, manufacturers and retailers

pay their taxes, and then at the same time refuse to let any financial institution handle their business? This creates many problems. It is a hassle to deal with cash, and there are huge security issues for these businesses. Even tax collectors complain about receiving so much cash. California should set up a bank or credit union for the marijuana industry.

2. We shouldn't lose perspective on the size of the marijuana industry. It is estimated that the legal U.S. marijuana market is about \$10 billion a year. That is a lot of money, but compared to other market sectors, the marijuana market is insignificant. U.S. health care spending is \$3.65 trillion. Soft drink sales are almost \$200 billion. Beer sales are \$35 billion, and Budweiser's U.S. sales alone are \$8 billion.

3. The fees and taxes on the legal marijuana industry are too high. Total effective tax rates on retail marijuana range from 37 percent to as much as 50 percent in some parts of California. This is absurd. This high level of taxation makes it very difficult for legal marijuana businesses to compete with the illegal underground

market. The tax burden must be significantly reduced, or the legalized market in California may collapse.

4. People who are in prison for selling or using marijuana should be released immediately.

People who were jailed for doing something the state is now regulating should not rot away in jail, and the community should not to have to pay the massive costs to keep them there. People with a marijuana arrest should have their record cleared.

5. Enforcement of drug laws reflects a racist society. Although the same percentage of whites and blacks use drugs, and there are five times as many whites as blacks in the United States, African Americans

How

can the federal

government insist on

one hand that marijuana

growers, manufacturers

and retailers pay their taxes,

and then at the same time

refuse to let any financial

institution handle

their business?

account for 35 percent of those arrested for drug possession, 55 percent of those

convicted and 74
percent of those who
are in prison for
drug possession,
according to the
ACLU. One in
three black men
between the ages
of 20 and 29 is
currently either on
probation, parole or
in prison. The statistics
are similar for Latinos.

This is wrong. Fixing this problem will require addressing systemic racism in both law enforcement and the judicial system.

6. The skills for running an illegal business versus a legal business are different. Legalized marijuana businesses are following standard business practices, including labor laws and quality control regulations. As more marijuana sales move above ground, those business owners and managers who are more effective in a traditional business environment will take a larger share of the market, a positive result for both consumers and employees.

Happy 420!

Jeff vonKaenel is the president, CEO and majority owner of the News & Review.

HIP HOPPIN' SPECIALS

FRIDAY, APRIL 19 & SUNDAY, APRIL 21



GOOD FRIDAY 3-COURSE MENU \$60

Choice of Entrée: Seared Salmon or Ahi Tuna Reservations at OpenTable.com

GOOD FRIDAY 3-COURSE MENU \$32.99

Entrée: Lemon Sole With Pistachio Pesto Sauce



PARK PRIME

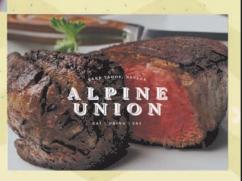
PRIX FIXE MENU \$75

Choice of Entrée: Grilled 20oz T-bone, Crab Stuffed Baked Halibut or Wild Boar

Reservations at OpenTable.com

EASTER 3-COURSE MENU \$35

Choice of Entrée: Herb Roasted Prime Rib, Baked Turkey Breast or Pork Osso Bucco



5PM until gone. Regular menus available.



50 HIGHWAY 50 STATELINE, NV 89449 LAKE TAHOE

HARDROCKCASINOLAKETAHOE.COM

844.588.ROCK #MADEFORMUSIC @HRHCLAKETAHOE