

# NM set to legalize cannabis after landmark Senate vote

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From left, Sen. Carrie Hamblen, D-Las Cruces; Senate Majority Whip Linda Lopez, D-Albuquerque; Sen. Katy Duhigg, D-Albuquerque; and Rep. Javier Martinez, D-Albuquerque, pose for a photo Wednesday after House Bill 2, which would make recreational cannabis legal for adults 21 and over, passed the Senate during a special session in Santa Fe. (Eddie Moore/Albuquerque Journal)

**SANTA FE —** After years of hitting a brick wall at the Roundhouse, cannabis legalization finally burst through on Wednesday.

New Mexico is poised to join a wave of other states in legalizing and taxing recreational cannabis sales, after both the House and Senate voted to approve a special session bill during a marathon day at the Roundhouse that featured lengthy debates and stinging political accusations.



Rep. Javier Martinez, D-Albuquerque, answers questions about House Bill 2, a proposal to make recreational cannabis legal for adults, during a special session in Santa Fe on Wednesday. Martinez was presenting the bill from his office at the Roundhouse. (Eddie Moore/Albuquerque Journal)

**Gov. Michelle Lujan Grisham, who has pushed for creation of what could be a multimillion-dollar industry, said she would sign the bill into law, setting the stage for cannabis sales to begin by next year.**

**“This is a significant victory for New Mexico,” Lujan Grisham said shortly after the House signed off on Senate changes to the bill late Wednesday.**

**“Change never comes easily and rarely does it occur as quickly as we might like,” the governor added in a statement. “But with this major step forward, we are signaling more clearly than ever before that we are ready, as a state, to truly break new ground, to think differently about ourselves and our economic future, to fearlessly invest in ourselves and in the limitless potential of New Mexicans.”**

**Getting a bill to the governor wasn’t easy.**

**Lujan Grisham called lawmakers back to the state Capitol for a special session this week, after a House-approved cannabis legalization bill stalled on the Senate floor in the final hours of a 60-day legislative session that ended March 20.**

A new Democratic-backed attempt, House Bill 2, cleared the state House 38-32 after more than three hours of debate Wednesday afternoon.

The 178-page bill then headed to the Senate, where it encountered extensive questioning from lawmakers including Sen. Cliff Pirtle, R-Roswell, the sponsor of a competing bill that called for more of a free-market approach to cannabis legislation.

Some Democrats also expressed reservations about New Mexico legalizing marijuana — and the timing of this week’s special session during the week before Easter.

“We’re not really genuinely here to debate the bill or improve the bill,” said Sen. Joseph Cervantes, D-Las Cruces, who has opposed past legalization measures. “We’re here to pass the bill.”

The bill eventually passed the Senate 22-15, with just two Democrats — Sens. Roberto “Bobby” Gonzales of Taos and Shannon Pinto of Gallup — joining with Republicans in casting “no” votes. Cervantes was among five senators who missed the final vote.

The House then gave its final approval to the bill on a voice vote, which was necessary because the Senate had tacked on an amendment barring legislators from entering the cannabis industry until July 2026.

In its final form, the proposal would allow retail sales to those 21 and older by April 1 next year, at the latest.

Since taking office in 2019, Lujan Grisham has pitched cannabis legalization as a way to diversify New Mexico’s economy, create jobs and bolster the state as a tourist destination, especially with neighboring Texas unlikely to legalize marijuana in the near future.

Democratic lawmakers highlighted the measure as a way to repair the harms of the war on drugs, allowing people with past cannabis convictions to enter the industry.

“I know this isn’t an easy thing to do,” said Rep. Javier Martínez, an Albuquerque Democrat and co-sponsor of the measure. But “cannabis is here whether it’s legal or not.”

But Wednesday’s approval in both the House and Senate came over the objection of Republicans. They contend the proposal would worsen New Mexico’s struggle with drug abuse and impaired driving, harm the brain development of young people and conflict with federal law enforcement.

“This legislation is so bad,” House Minority Whip Rod Montoya, R-Farmington, said during the debate. “We cannot be this reckless in our desire to pass drug legalization.”

## **Medical program**

Once the legalization bill is signed into law, New Mexico will join a wave of states embracing recreational marijuana, including New York, which on Wednesday became the 16th state to legalize.

But New Mexico already has a medical cannabis program that had more than 107,000 enrolled patients as of January, a fact that was driven home during Wednesday’s debate.

At one point, Sen. Jacob Candelaria, an Albuquerque Democrat and medical cannabis patient, held up a cannabis vaping cartridge that he said he intended to consume later Wednesday.

“This is a gram of cannabis concentrate that will be vaped later, by me, after we pass this bill — probably all of it,” Candelaria said.

He repeatedly questioned a provision in the bill that would establish limits on the supply of cannabis — restricting the number of plants each major supplier could have — through the end of 2025.

Candelaria, who ultimately voted in favor of the measure, described it as an attack on Ultra Health LLC, a medical cannabis producer he has represented in his work as a private attorney.

Sen. Katy Duhigg, an Albuquerque Democrat and co-sponsor of the bill, said the supply limit was intended to ensure that big companies don’t flood the market and keep smaller businesses from entering the industry. It would be only temporary, she said, and based on the projected demand if 20% of adults participate in the market.

“What we have in (this bill) is a solid framework to make a change to our state that’s been a long time coming,” Duhigg said during Wednesday evening’s Senate floor debate.

She also said lawmakers would likely have to make more changes to the law in future years.

## **Close votes**

Before the landmark vote on Wednesday, the House had twice passed legalization proposals since 2019 only to see them die in the Senate.

But the vote margins have been narrow, and seven House Democrats crossed party lines on Wednesday to oppose the special session bill. The ranks of opponents included Rep. Miguel Garcia, D-Albuquerque, who voted in favor of legalization during the regular session.

The final version of the bill that won approval would generate an estimated \$20 million in revenue for the state in the 2023 fiscal year, along with an estimated \$10 million for local governments around New Mexico, according to a fiscal analysis.

A new division in the state Regulation and Licensing Department would handle cannabis licensing and determine when to allow retail sales of marijuana products, with a deadline of April 1 next year.

Both legislative chambers also adopted separate legislation that would provide about \$7 million to help carry out new cannabis regulations.

The funding includes \$750,000 to cover the cost of “drug recognition field expert certification” for law enforcement officers and to develop or purchase roadside impairment tests for cannabis.

But revenue generated by cannabis legalization would not be earmarked for specific programs, leaving it up to lawmakers to decide how to spend a weed windfall in future years.

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## **At a glance**

A cannabis legalization bill was approved Wednesday by the House and was nearing a final vote in the Senate. Here are some highlights:

- A person could buy and possess outside the home up to 2 ounces of marijuana or 800 milligrams of edible cannabis.
- Cannabis establishments could also offer on-site consumption in certain circumstances.
- Households would be permitted to grow up to 12 mature plants for personal use.
- Local jurisdictions couldn’t opt out of commercial sales, but they could establish restrictions on operating hours and locations.

– The state would levy a 12% excise tax on sales to start, and the tax would grow to 18% over time. Gross receipts taxes would also be added on, pushing the total tax rate to 20% to 26% overall.