

NEWS RELEASE

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First Reports Show Marijuana Ballot Question Has Drawn \$1.3 Million in Fund-raising; Already on Top Ten NJ Ballot Question List

Three groups supporting or opposing a November 3 ballot question that would legalize marijuana use in New Jersey so far have raised a combined \$1.3 million and spent \$733,523, according to initial disclosure reports filed with the New Jersey Election Law Enforcement Commission (ELEC).

Table 1
Campaign Finance Activity Related to Proposed Ballot Question to Legalize Marijuana Use in New Jersey Through October 2, 2020

Group	Raised	Spent	Pro/Con
Building Stronger Communities Action Fund Inc.	\$ 700,100	\$289,000	Pro
NJ CAN 2020	\$ 574,558	\$438,603	Pro
Don't Let NJ Go to Pot Inc.	\$ 9,688	\$ 5,920	Con
Totals	\$1,284,346	\$733,523	

"Whether or not this year's ballot question election turns out to be a true blockbuster in terms of funds spent, early reports show it already is among the top ten ballot questions in the state's history," said Jeff Brindle, ELEC's Executive Director.

"The vote also is historic since it is the first marijuana-related public question to appear before New Jersey voters," he added.

A political committee called Building Stronger Communities Action Fund Inc. has raised the most money to date. It has collected \$700,100 and spent \$289,000. Its main donor is The Scotts Company of Marysville, Ohio, which gave \$700,000. It also gave \$100,000 to NJ CAN 2020, a second committee supporting legalization.

According to news reports, Scotts launched a subsidiary in 2014 primarily to sell supplies to marijuana growers throughout the nation though it also is hoping to expand indoor urban gardening.¹

Scotts Miracle-Gro reported in a press release July 29, 2020 that its marijuana-focused subsidiary, Hawthorne Gardening Company, earned \$302.9 million in the most recent quarter, a 72 percent increase from the year before.²

¹ https://www.fool.com/investing/2020/03/05/scotts-miracle-gro-could-turn-over-a-new-leaf-with.aspx

² https://scottsmiraclegro.gcs-web.com/news-releases/news-release-details/scottsmiracle-gro-announces-third-quarter-financial-results-1

In addition to its spending in this year's election, Scotts paid \$180,000 to a lobbying firm in 2017, 2018 and 2019 during years when legislation to legalize marijuana was being weighed by the legislature. Lawmakers decided to put the measure before the public after failing to get enough votes for passage.

During the same three years, more than \$4 million was spent on lobbying, mostly by pro-marijuana groups, according to reports filed with ELEC.

The next biggest fundraiser is another advocate of legalization called NJ CAN 2020. It has raised \$574,558 and spent \$438,603. Its chief donor so far is American Civil Liberties Union of New Jersey, which has given \$323,446.

Don't Let NJ Go to Pot Inc. also has sprung up to wage opposition against the ballot initiative. Its initial report showed \$9,688 in fund-raising from six individuals and \$5,920 in spending.

While it is impossible to predict the cost of the marijuana ballot question contest, the \$1.3 million raised so far already would rank tenth on the top ten most expensive New Jersey ballot questions based on inflation-adjusted numbers.

"Unlike states like California, which have laws that make it easy to put public questions before voters, just a handful of New Jersey referendum elections have drawn heavy spending," Brindle said.

Table 2
Top Ten Costliest New Jersey Ballot Question
Elections Based on Inflation-Adjusted Numbers

Referendum	Outcome	Year	Spending Unadjusted for Inflation	Spending Inflation Adjusted
Allow two new casinos in North Jersey	Failed	2016	\$24,669,426	\$26,716,004
Allow casinos in Atlantic City	Passed	1976	\$ 1,351,865	\$ 6,175,291
Jersey City short-term rental restrictions	Passed	2019	\$ 5,615,109	\$ 5,708,695
Increase state minimum wage	Passed	2013	\$ 3,167,928	\$ 3,534,564
Allow simulcasting at state race tracks	Passed	1985	\$ 1,006,918	\$ 2,432,306
Allow casinos in four New Jersey locations	Failed	1974	\$ 612,500	\$ 2,339,204
Higher education bond Issue	Passed	2012	\$ 2,019,690	\$ 2,286,444
Build professional baseball stadium	Failed	1987	\$ 593,948	\$ 1,358,959
Allow sale of Trenton Water Works to private firm	Failed	2010	\$ 1,104,799	\$ 1,316,896
Legalize marijuana use in New Jersey	Pending	2020	\$ 1,284,346*	\$ 1,284,346*

^{*}Funds raised

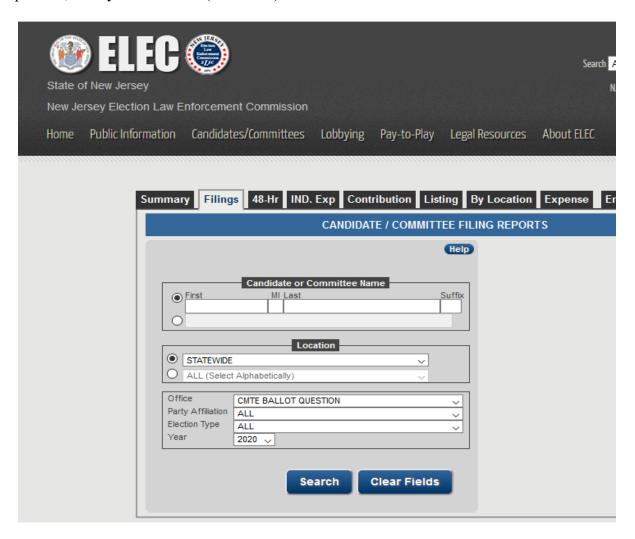
Seventeen previous marijuana initiatives in other states have averaged \$8.3 million in combined spending, according to the National Institute for Money in Politics. South Dakota, Montana, and Arizona are holding similar referenda this year.

A continuing political committee called Build a Better State PAC has been formed that appears to support one of the two other ballot questions this fall- one that would provide new property tax breaks to veterans. Its disclosure reports are not due until tomorrow (October 15).

There do not appear to be any committees set up to promote or oppose a third ballot initiative that would delay legislative redistricting if census data is received after February 15, 2021.

To view reports filed by political committees involved in this year's referendum election, go to https://www.elec.nj.gov/.

Click on the "Candidate or committee reports" button and set location to "statewide," office to "cmte ballot question," and year to "2020" (see below).



The next ballot question disclosure reports are due October 23, 2020. ELEC will make them public on October 29, 2020.