

Gov. Evers: Proposes legalizing marijuana, investing portion of revenue in equity initiatives and rural schools

Posted on Sunday, Feb 7, 2021

>> **WisPolitics is now on the State Affairs network. Get custom keyword notifications, bill tracking and all WisPolitics content. [Get the app or access via desktop.](#)**

Governor's proposal regulates and taxes marijuana much like alcohol, generates more than \$165 million annually beginning in Fiscal Year 2023

MADISON — Gov. Tony Evers today announced his 2021-23 biennial budget proposes regulating and taxing marijuana much like Wisconsin regulates and taxes alcohol. Under the proposal, Wisconsin would join 15 other states, including neighboring Michigan and Illinois, in legalizing recreational marijuana. The governor's 21-23 budget proposal will increase revenue, create jobs, and reduce criminal justice system costs, while providing a pathway for those suffering from chronic or debilitating pain and illness to utilize the medicine they require.

“Legalizing and taxing marijuana in Wisconsin—just like we do already with alcohol—ensures a controlled market and safe product are available for both recreational and medicinal users and can open the door for countless opportunities for us to reinvest in our communities and create a more equitable state,” said Gov. Evers. “Frankly, red and blue states across the country have moved forward with legalization and there is no reason Wisconsin should be left behind when we know it’s supported by a majority of Wisconsinites.”

In 2019, a [Marquette University Law Poll](#) found that nearly 60 percent of Wisconsinites support the legalization of marijuana and 83 percent of Wisconsinites support the legalization of medical marijuana. The governor's 19-21 biennial budget proposed legalizing medical marijuana, which was ultimately rejected by Republicans in the Legislature.

Legalizing marijuana is expected to generate more than \$165 million annually beginning in the second year of the biennium (Fiscal Year (FY) 23). The governor proposes setting aside \$80 million of the revenue generated by marijuana to reinvest in communities across the state through a new Community Reinvestment Fund. Beginning in FY23, the Community Reinvestment Fund will fund \$30 million in equity grants through the Department of Health Services, the Department of Administration, and the Department of Children and Families, respectively; \$5 million to fund grants to underserved communities through the Wisconsin Economic Development Corporation; and provide more than \$34 million to support sparsity aid, which goes to small, rural school districts. The remaining revenue would be deposited into the state's general fund.

Under the governor's proposal, marijuana would be taxed and regulated much like alcohol, and would be regulated by both the Department of Revenue (DOR) and the Department of Agriculture, Trade, and Consumer Protection. The proposal would require the sale of marijuana for recreational use to be sold by a marijuana retailer holding a permit issued by the DOR. Individuals would need to be 21 years of age to purchase marijuana for recreational use. All sales of recreational marijuana to minors would be prohibited. The plan also provides a path for medical marijuana users to access the product without paying retail taxes.

There are certain limits placed on the sale and possession of marijuana under the proposal. Wisconsin residents can possess no more than two ounces of marijuana and six plants for personal use. Nonresidents can possess no more than 0.25 ounces of marijuana. Under the proposal, no marijuana processor or microbusiness that operates as a marijuana processor may make usable marijuana using marijuana grown outside of Wisconsin.