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111 SECTION B

## CULTIVATING CLOUT

# Pot industry spends to lobby, influence

Cannabis companies are using traditional tools of politics to grow their business even further

**By Laurel Rosenhall**  
*CALmatters*

Lobbyists in slick pinstriped suits and burly veterans with tattooed arms crowded into a Capitol hearing room this month as lawmakers considered a bill to make it easier for Californians to buy legal marijuana. One supporter said people need more access to the “beautiful sacred plant.” But at its core, this was a business dispute

— a question of whether legislators would allow cannabis companies to reach more customers, and make more money.

The committee passed the bill — to stop cities from banning delivery services that sell pot to customers at their doorsteps — despite objections from cities and counties that favor local control. And the standing-room-only crowd that showed up to push for it revealed the new reality in California, where canna-

bis interests have become a formidable lobbying force.

As marijuana companies seek laws more favorable to their industry, they are using the traditional tools of politics: hiring well-heeled lobbyists and donating money to politicians. Cannabis is big business in California, with sales expected to hit \$3.7 billion by the end of the year, according to BDS Analytics. The industry’s spending on California politics soared in 2016, when voters made it legal for adults to use the drug.

“They want to be treated like ev-  
MARIJUANA » PAGE 2



Marijuana companies are using lobbyists and donations to politicians to curry favor for industry-friendly laws.

JOSE CARLOS FAJARDO — STAFF ARCHIVES

# Marijuana

FROM PAGE 1

ery other business, and part of that is making campaign contributions so they can get access to politicians and have their voice heard," said Jim Sutton, an attorney who represents cannabis businesses organizing political campaigns.

Cannabis companies, entrepreneurs and advocates spent at least \$2.6 million to help pass the legalization measure in 2016. Since then, the industry has donated more than \$600,000 to California political campaigns — more than four times as much as it spent on politics in the state during the 2013-14 election campaigns. Cannabis money is flowing to Democrats and Republicans running for re-election to the Legislature, as well as to Democratic candidates hoping to be elected governor and attorney general.

With the money comes a mainstream political presence for an industry quickly shedding its counterculture image.

At the California Democratic Party convention in February, the roster of receptions for delegates included one sponsored by Eaze, a company that delivers pot from dispensaries to customers at home. It was one of three marijuana companies that donated to the state

party for the first time this year, for a total of \$45,000.

"I'm sure we will (continue) soliciting from the cannabis industry," said party chairman Eric Bauman. "It's a legal industry in California. It's not one that hurts the environment, it's not undermining our society. So we welcome their dollars."

The party prohibits donations from tobacco and oil companies.

Democratic Lt. Gov. Gavin Newsom, the front-runner in the race for governor, has raised more money from cannabis interests than any other California politician: at least \$495,000 as of April. Newsom championed the legalization ballot measure and now talks about California rejecting the "war on marijuana" as part of his gubernatorial campaign.

One of his opponents, state Treasurer John Chiang, is also touting his cannabis cred. A Democrat who has received at least \$10,100 from marijuana interests, Chiang has highlighted his interest in creating a state bank that could serve cannabis businesses. He visited a San Francisco dispensary on April 20, then issued a news release calling the date "National Weed Day." It included a photo of him examining a cannabis chocolate bar and a jar of buds.

Attorney General Xavier Becerra has taken at least \$21,000 from cannabis inter-

ests in his re-election campaign. It's a marked difference from the last election for that office — in 2014, then-Attorney General Kamala Harris reported no donations from marijuana businesses. She made a deliberate decision, an adviser said, to avoid contributions that could raise questions about her role as the state's top law-enforcement officer.

Although marijuana remains illegal under federal law, attempts to ban contributions from the cannabis sector have been unsuccessful. The state of Illinois prohibited political contributions from weed businesses when it approved its medical marijuana law in 2013. But the ban was thrown out last year by a federal judge who ruled it unconstitutional.

Cannabis businesses in California now have several trade associations and a political action committee for raising money to dole out to politicians.

"It's just one tool folks in cannabis policy reform are using to move the conversation in a positive direction," Lindsay Robinson, executive director of the California Cannabis Industry Association, said, referring to campaign contributions. That PAC has raised more than \$290,000 since launching in 2014.

"The goal we're striving for is for cannabis businesses to be regulated and treated like any other busi-

ness, taxed fairly and able to thrive in the market. ... The political giving piece is important," she said.

That point was illustrated back in the hearing room, where lawmakers were considering the bill to expand marijuana delivery services, authored by Sen. Ricardo Lara, D-Bell Gardens, who has taken at least \$18,900 from cannabis interests and is now running for Insurance Commissioner.

Not every legislator who accepted marijuana contributions voted for the bill. Sen. Mike McGuire, D-Healdsburg, took a \$4,000 check from a marijuana delivery company last year but sided with the local governments that opposed limits on their power to ban delivery services.

Still, marijuana businesses that want to get ahead have to play politics, said Hilary Bricken, a Los Angeles attorney who specializes in cannabis law — and that generally means throwing some money around.

"Cannabis has learned from Big Pharma, Big Alcohol and Big Tobacco that they have to step up in this way," she said. "They would be stupid to not do what's worked for the industries that came before them."

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*CALmatters.org is a nonprofit, nonpartisan media venture explaining California policies and politics.*