



Marijuana and employee productivity

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Agenda

- 1** Who we are
- 2** The problem
- 3** The marijuana lobby & employees
- 4** The impact
- 5** Conclusions

SAM promotes an evidence-based approach to marijuana policy that prioritizes public health

- SAM takes an evidence-based, scientific approach to marijuana policy that **rejects the false dichotomy that we must either lock up marijuana users OR legalize pot**
- **Instead**, we support:
 - Alternatives to incarceration
 - FDA-approved medications derived from marijuana
 - Ending legalization and commercialization of pot
- **We are non-partisan**, and work with Democrats, Republicans, and independents alike



SAM's board members and supporters

- **American Society of Addiction Medicine**
- **American Academy of Pediatrics**
- **American Academy of Child and Adolescent Psychiatry**
- **Other leading public health authorities**
- **Over 30 state affiliates, including:**
 - Treatment centers
 - Recovery groups
 - Prevention organizations
 - Law enforcement
 - Leading medical authorities
 - Volunteer citizens

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Surveys keep telling us...

- 1) The pool of **reliable unskilled labor** is way too small
- 2) It's very hard to **find someone who can pass a drug screen**

Drug use is forcing CO employers to hire out-of-state employees



- “Jim Johnson [construction company GE Johnson’s CEO]...said his company has encountered **so many job candidates who have failed pre-employment drug tests** because of their THC use that **it is actively recruiting construction workers from other states.**”

The phenomenon has recently received coverage in the *New York Times*

Hiring Hurdle: Finding Workers Who Can Pass a Drug Test

By JACKIE CALMES MAY 17, 2016

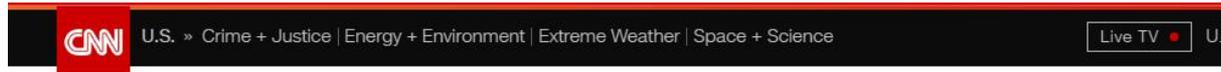


In Colorado, “to find a roofer or a painter that can pass a drug test is unheard-of,” said Jesse Russow, owner of [Avalanche Roofing & Exteriors](#),

Terry Donaldson, an employee of Gaster Lumber & company’s drug testing policy. The company has been sued by Kevin D. Liles for The New York Times

But data suggest employers’ difficulties also reflect an increase in the use of drugs, especially marijuana — employers’ main gripe — and also heroin and other opioid drugs much in the news.

And on CNN...



As more Americans fail drug tests, employers turn to refugees

Story by Dan Lieberman, CNN

Video by Matt Gannon, CNN

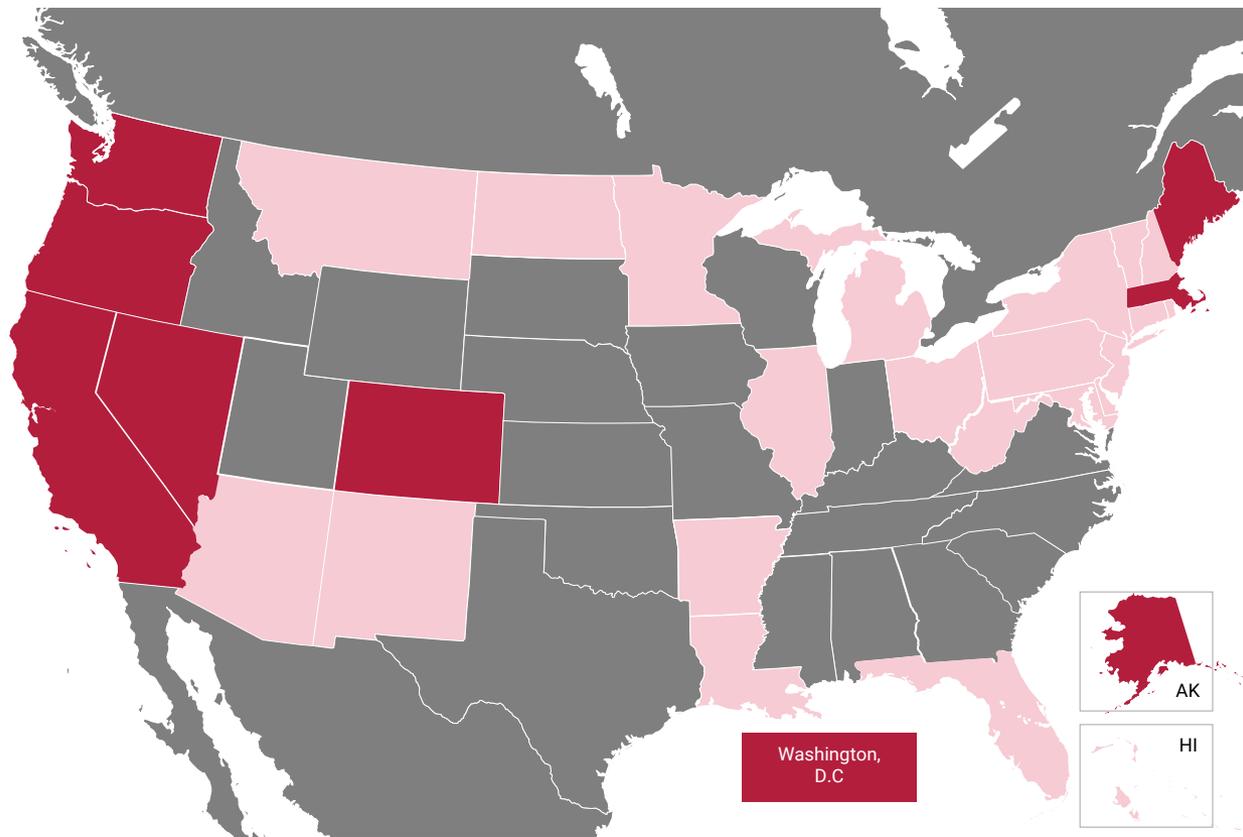
🕒 Updated 4:40 PM ET, Wed March 29, 2017



In Colorado, where marijuana is legal, some businesses have told Fay, "they see employees smoking pot on their lunch break and then going back to work."

One oil and trucking company in Colorado did random drug screening at one of their locations last year and found 80 percent of their employees failed, Fay said. (Colorado's Supreme Court has ruled that companies may fire employees who smoke pot, even if legally.)

The current panorama

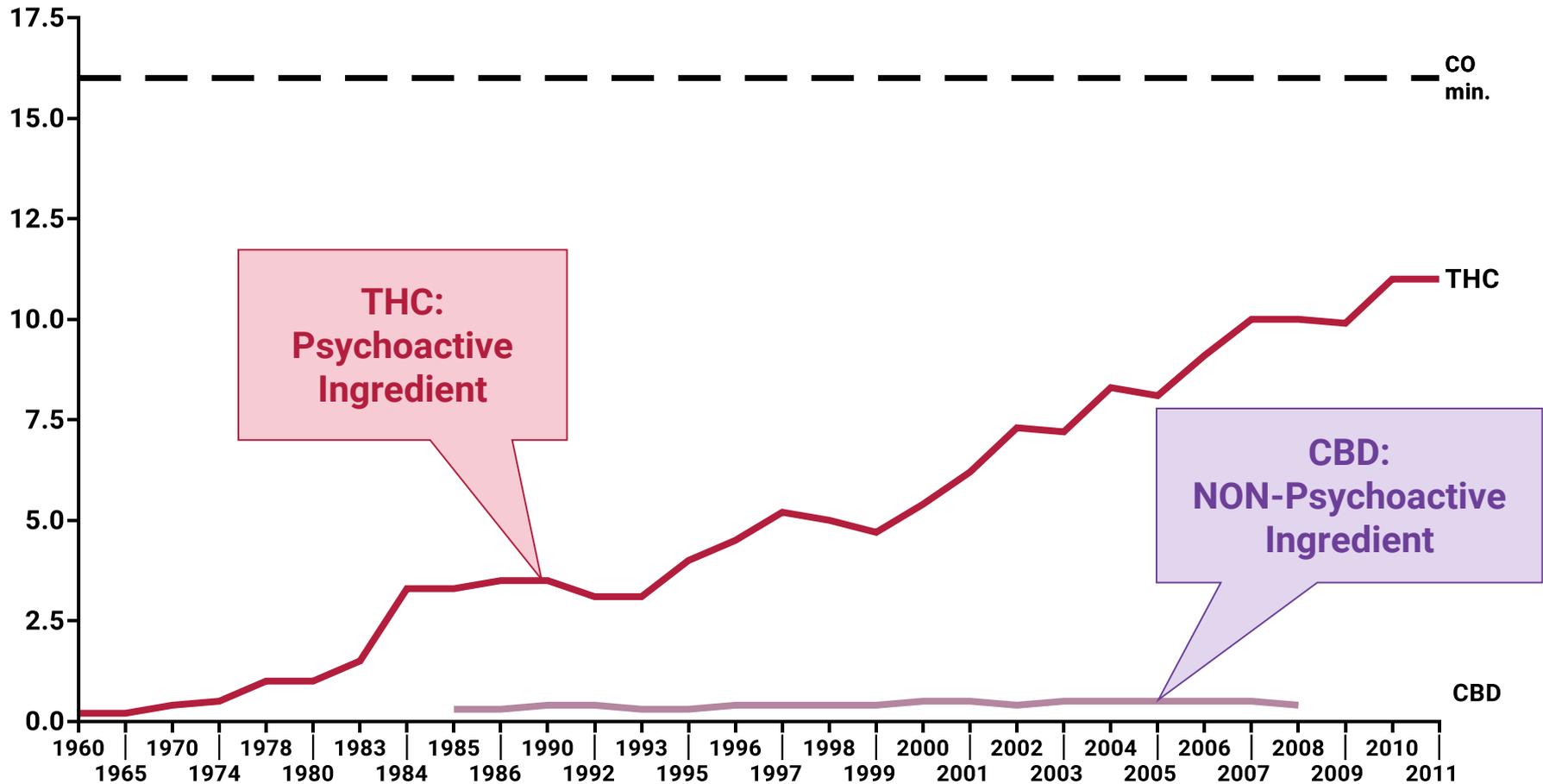


Legend:

- = "Recreational" use legalized
- = "Medical" use legalized

Marijuana has become significantly more potent since the 1960s

Average THC and CBD levels
in the United States



Pot edibles now account for ~50% of the Colorado market



Marijuana is not “just a plant” anymore – derivatives contain up to 99% THC



*“Green Crack”
wax*



“Ear Wax”



Butane Hash Oil
(BHO)



Hash Oil Capsules



“Budder”

Copyright SAM and the Shores Authors.
Use with permission

“Shatter”



99% pure THC



99% THC is already on sale in our country

99.997% pure THC

YERBA
CALIFORNIA

- FLOWERS
- EDIBLES
- CONCENTRATES
- PREROLLS
- TOPICALS
- \$5 AND UNDER

LOG IN
SIGN UP

ABOUT US CONTACT US

**GUILD EXTRACTS - THC
A CRYSTALLINE .5G**

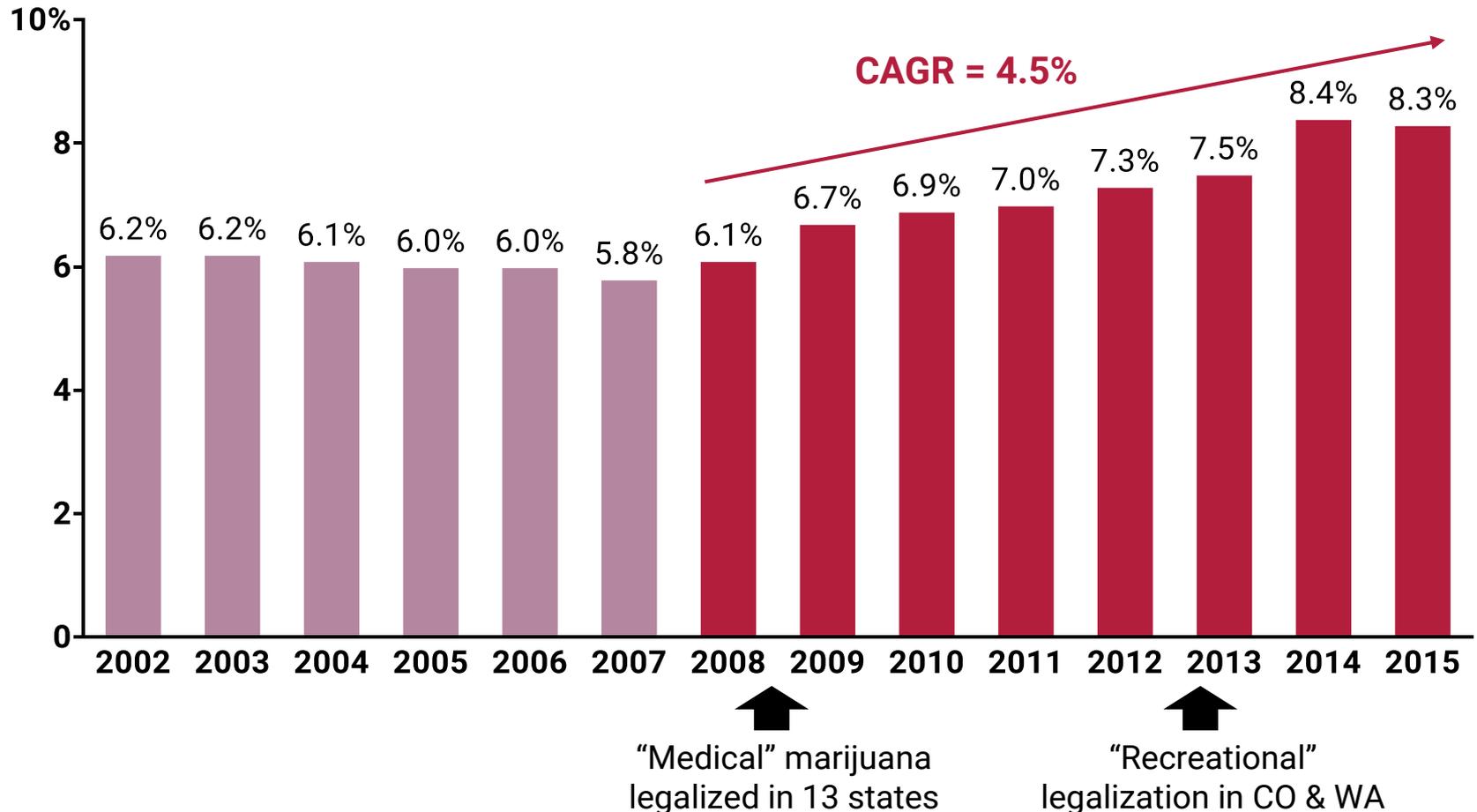
THC-A is a revolutionary new product offered by Guild Extracts, 99.997% pure THC make this the highest potency product on the market today! To use, vaporize like you would other waxes and concentrates. When ingested orally it has amazing health benefits!

1 ADD TO CART

CATEGORIES: [CONCENTRATES](#), [GUILD EXTRACTS](#), [NEW ARRIVALS](#)

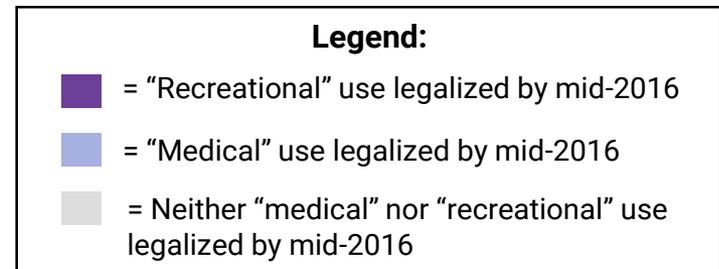
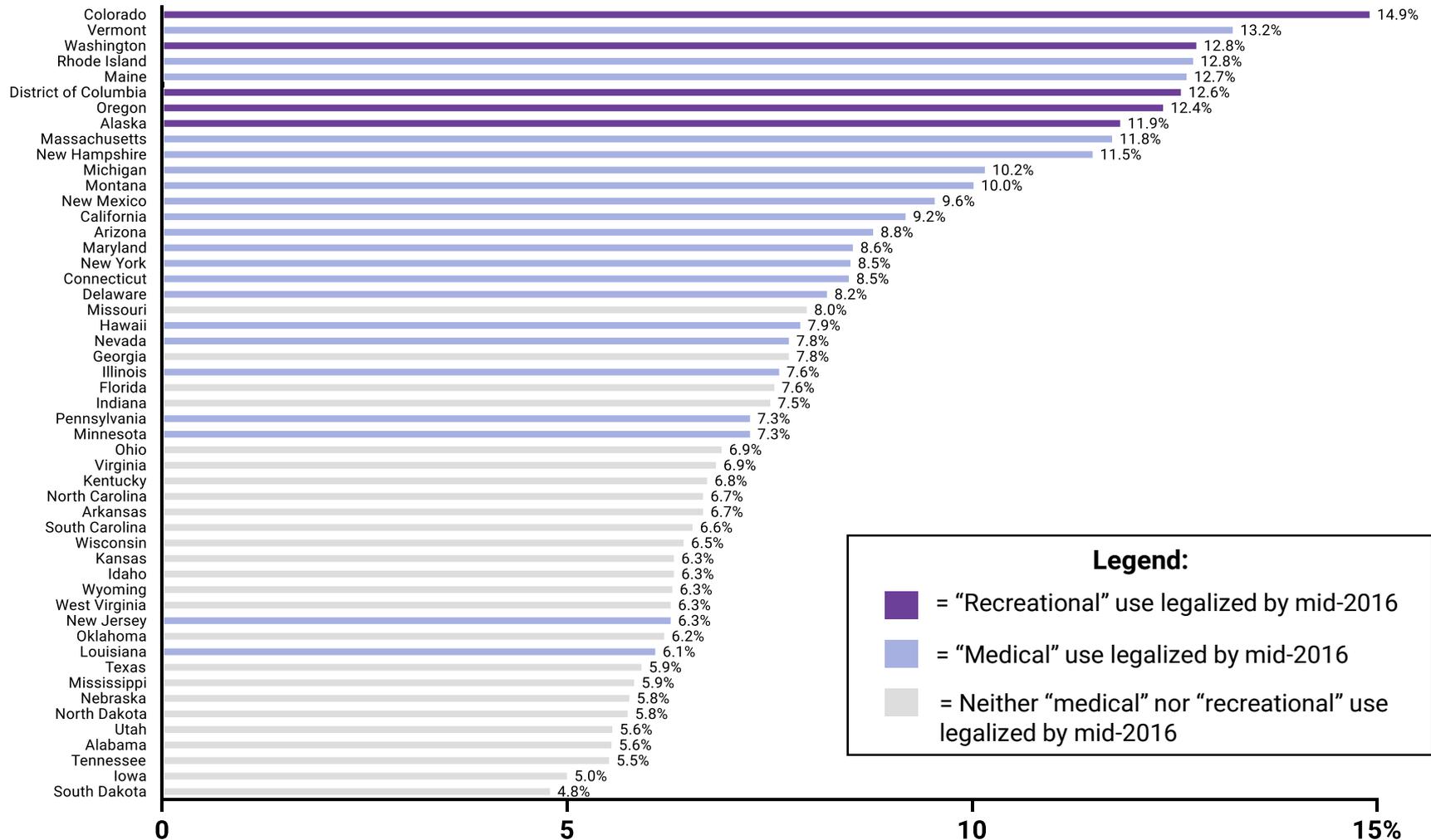
Marijuana use is rising across the board, since legalization laws became common

Percentage of population ages 12 and up who used marijuana in the past month



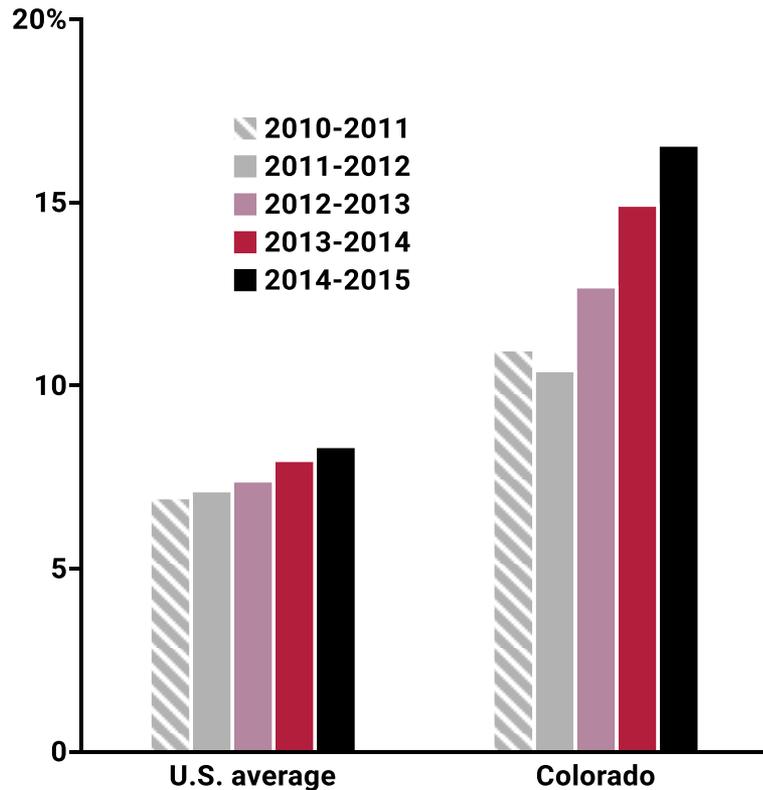
Use is particularly in states that have legalized pot

Last-month use, ages 12+



Since legalization, pot use in Colorado has steadily climbed, well outpacing the national average

Percentage of population ages 12 and up who used marijuana in the past month

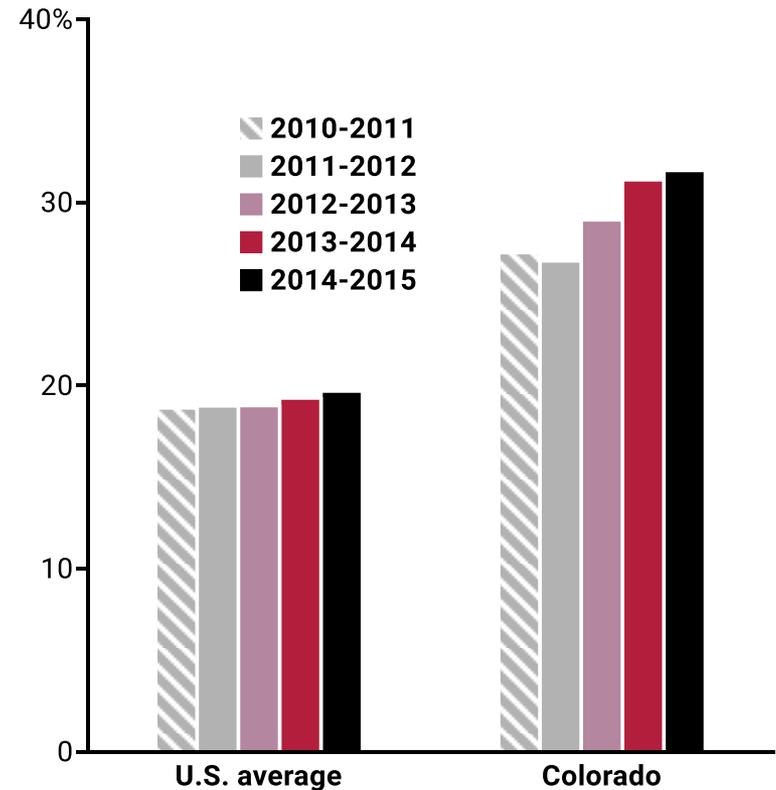


Avg. change per period

4.7%

10.8%

Percentage of population ages 18 to 25 who used marijuana in the past month



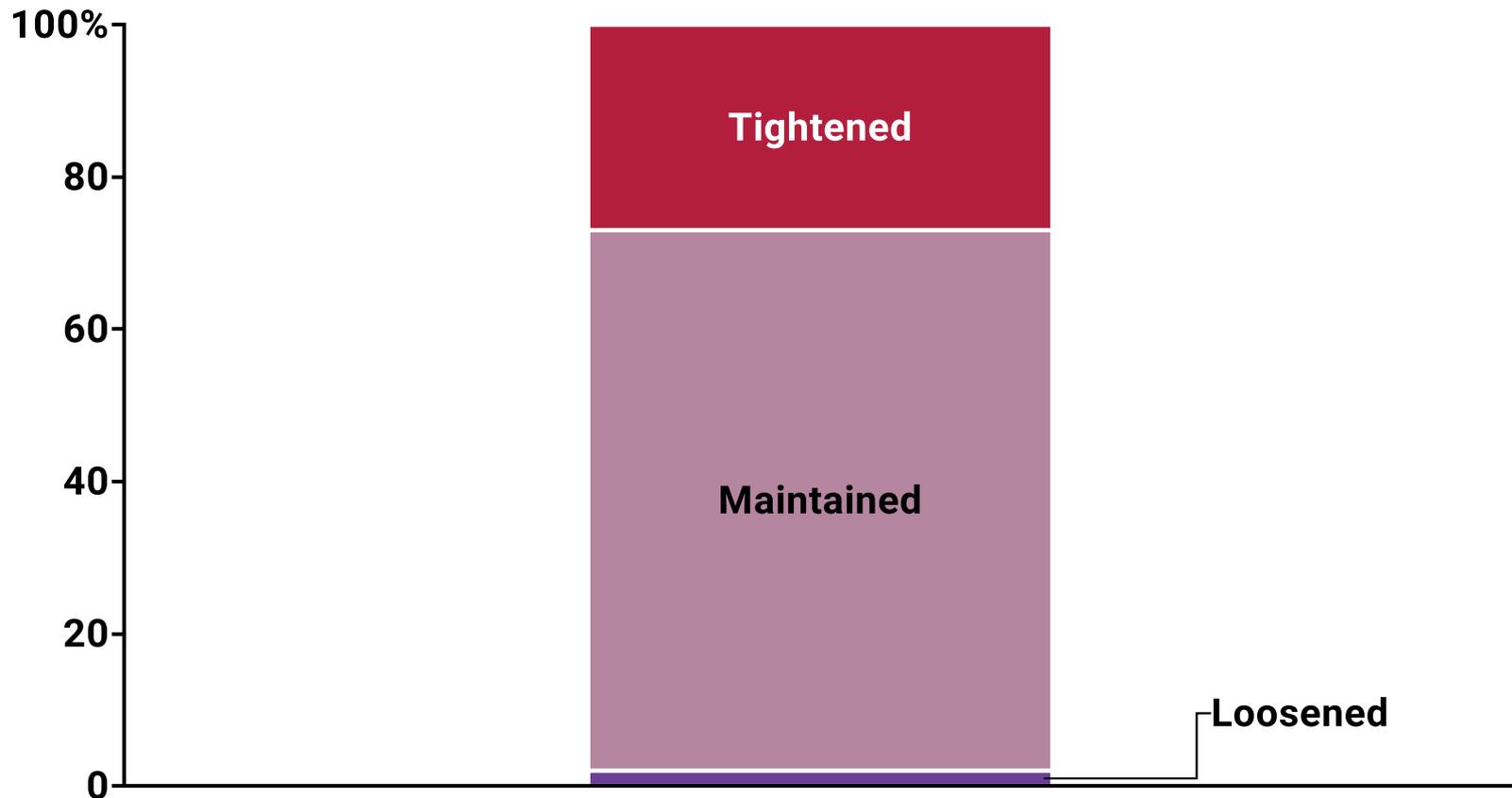
Avg. change per period

1.2%

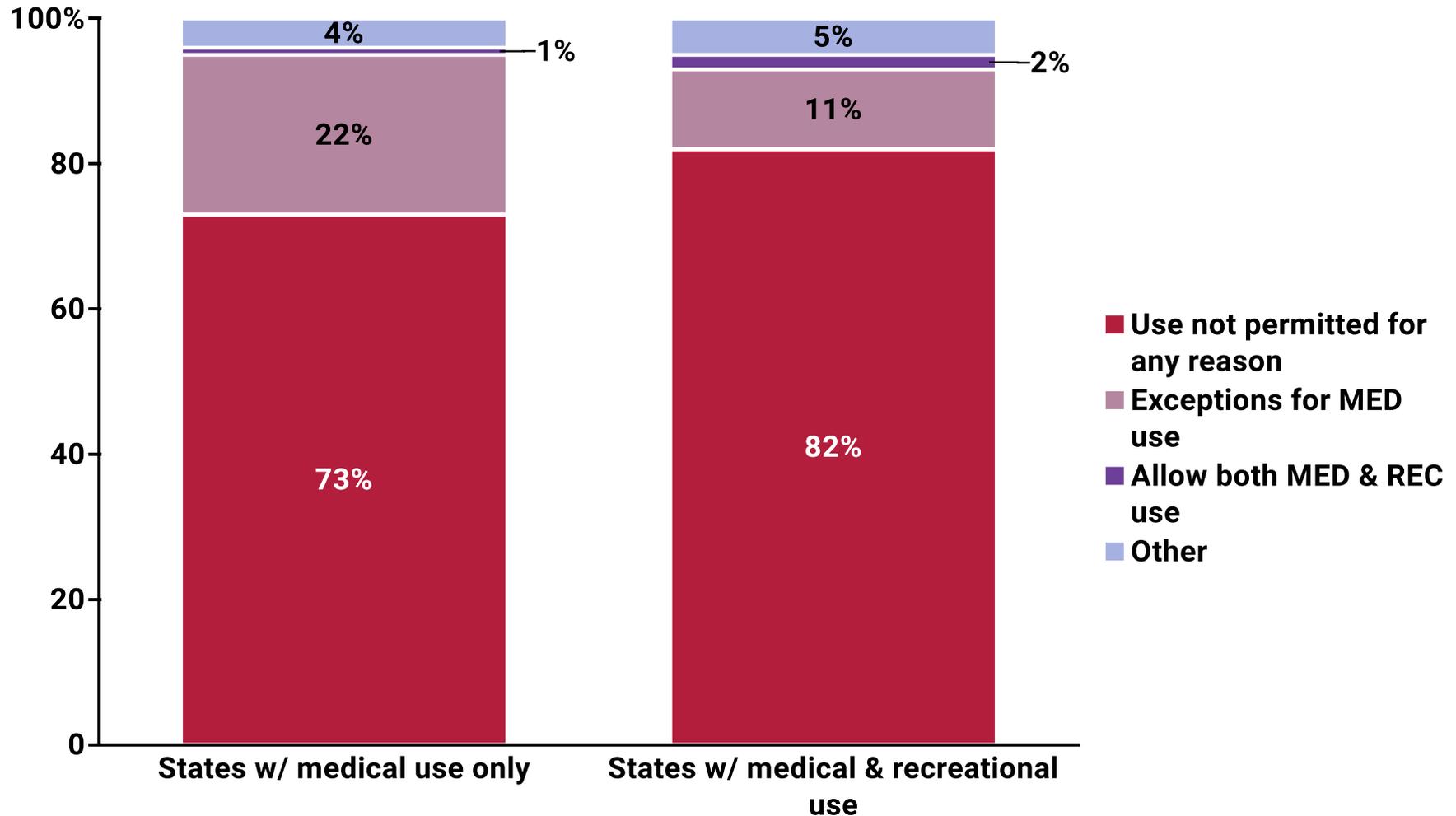
3.9%

Employers have reacted by tightening drug testing policies

Since Colorado legalized marijuana, have you tightened, maintained, or loosened your drug-testing policies?



This trend also appears nationally—employers tighten policies where recreational pot is legal

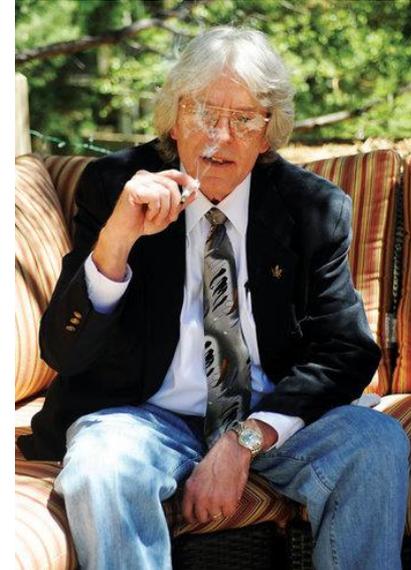


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The marijuana industry has vowed to make employee “rights” to pot use a priority

- In 2014, the Colorado Supreme Court established that **employers can fire employees for off-the-job marijuana use**, even within the context of a state medical marijuana program (*Coats v. Dish Network, LLC*, No. 13SC394, 2014 Colo. LEXIS 40 (Colo. Jan. 27, 2014))
- In response, **the marijuana industry mobilized to fight for a right for employees to use pot**



“[We should not] permit an employee to be fired simply because they elect to use marijuana legally under state law, without a showing of actual on-job impairment.

...

[T]hat is simply unfair, and **it cannot be allowed to stand.**”

- Keith Stroup, founder of NORML
15 June 2015

New Mexico courts have forced companies to pay for employees' marijuana use

- **New Mexico:** a series of appellate court decisions require companies to reimburse employees' for "medical" marijuana use, ignoring employers' arguments that doing so would violate federal law:
 - *Vialpando v. Ben's Automotive Services*, 331 P.3d 975, cert. denied, 331 P.3d 924 (2014)
 - *Maez v. Riley Industrial*, 347 P.3d 732 (2015)
 - *Lewis v. American General Media*, 2015 N.M. App. LEXIS 74 (June 26, 2015)



A Rhode Island court recently extended protections to a medical marijuana user

Rhode Island court rules employer who refused to hire medical marijuana user violated state law

Posted on 6/21/2017 by Corporate Communications Department

Tags : [Drug Testing](#)

A judge ruled Darlington Fabrics Corp. violated Rhode Island's medical marijuana law, the Hawkins-Slater Act, when it refused to hire a medical marijuana user because she could not pass a pre-employment drug test.

The Hawkins-Slater Act states, "No school, employer, or landlord may refuse to enroll, employ, or lease to, or otherwise penalize, a person solely for his or her status as a cardholder."

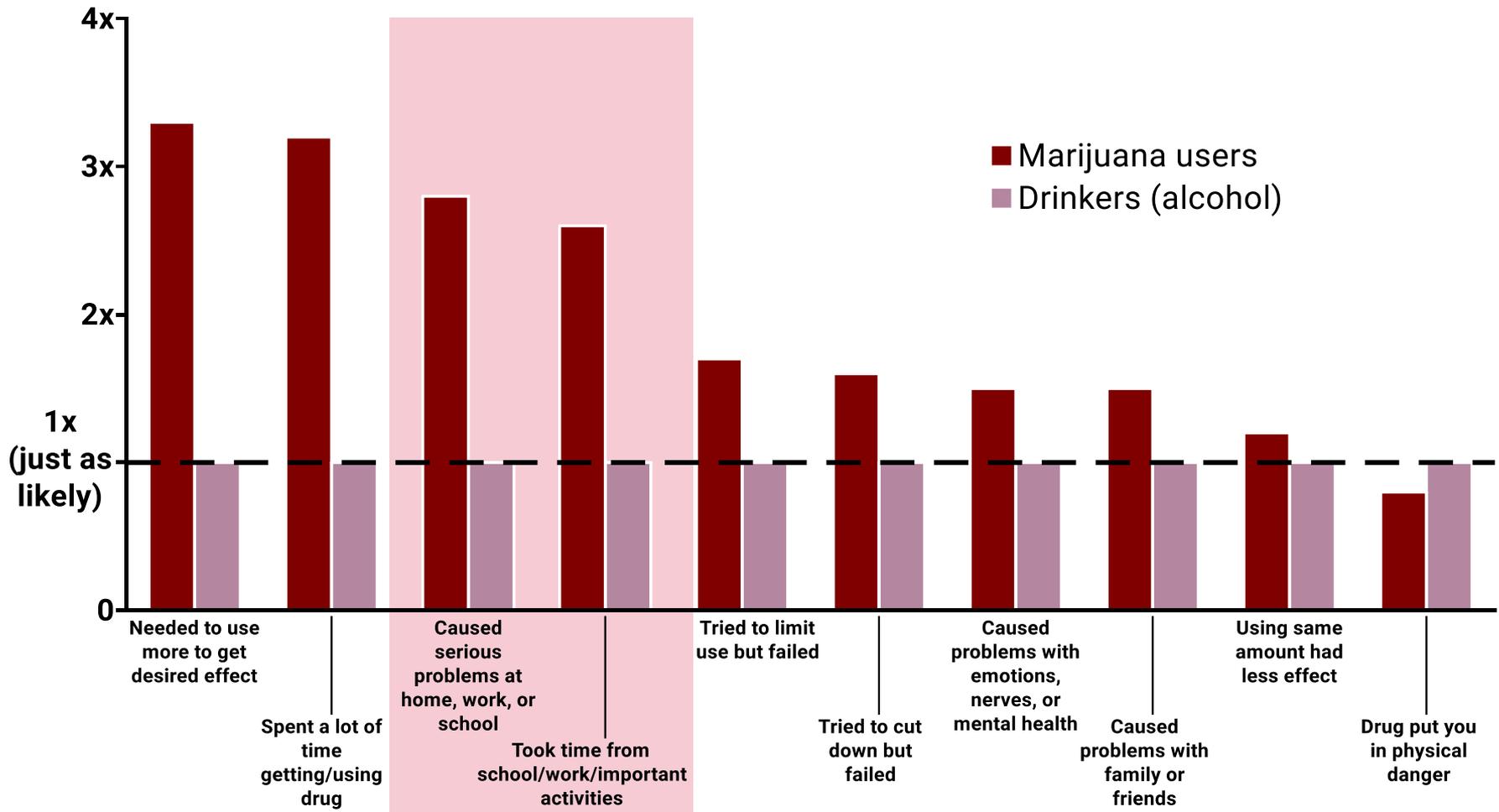
Judge Richard Licht ruled that the aforementioned portion of the state's law would be rendered illusory if he were to rule in favor of the defendants as it would simply allow employers to refuse to hire medical marijuana users by simply implementing a facially neutral pre-employment drug testing policy.

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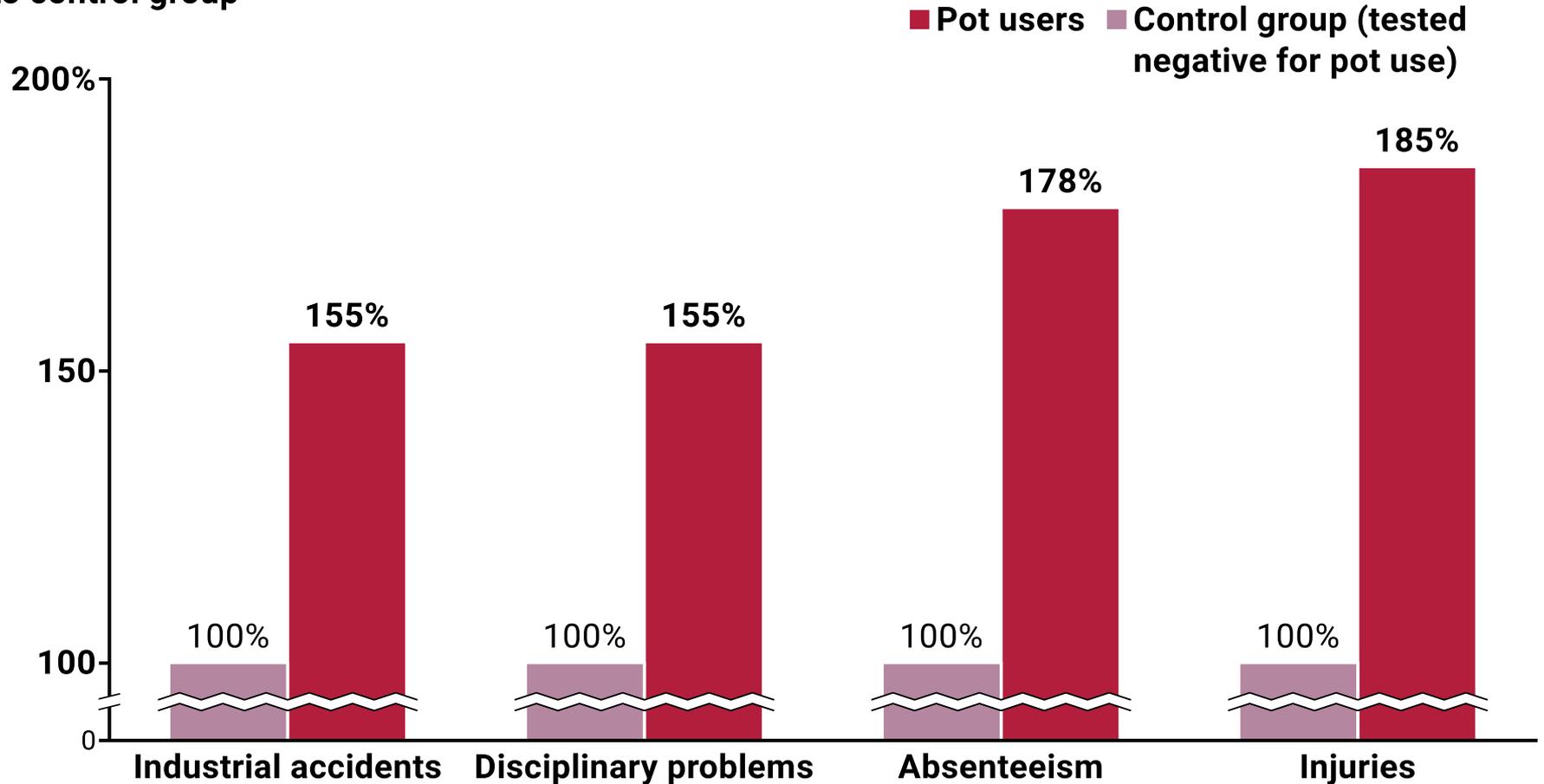
“Pot safer than alcohol?” Not in the workplace.

Relative frequency of problem



Accidents, injuries, absenteeism, and disciplinary problems among pot users all increase costs

Incidence of problem compared to control group



Even when controlling
for alcohol use, pot
users are:

40%

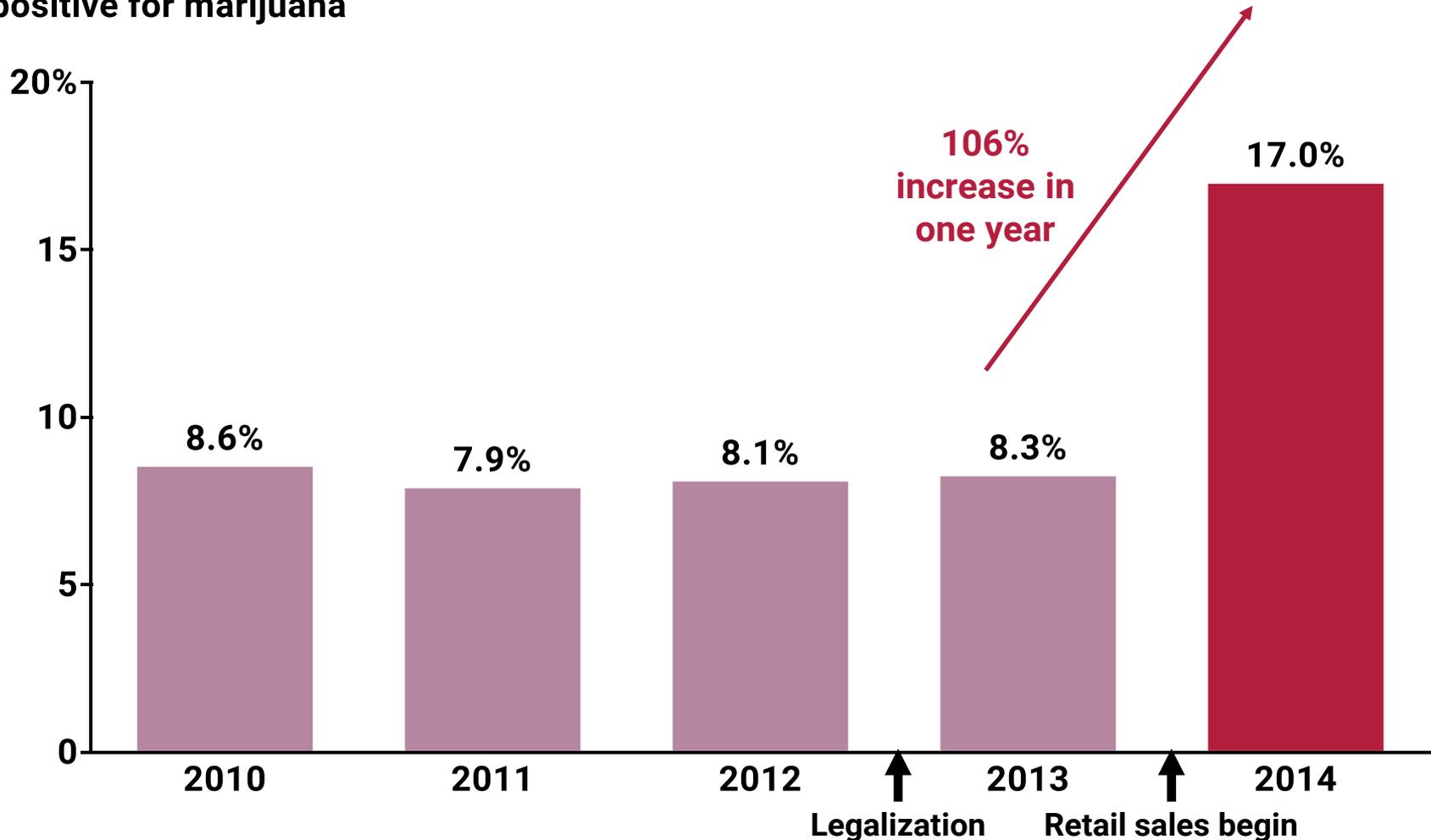
more likely to have
missed at least one day
of work in the last
month due to
illness/injury

106%

more likely to have
missed at least one day
of work in the last
month because they
**“just didn’t want to be
there”**

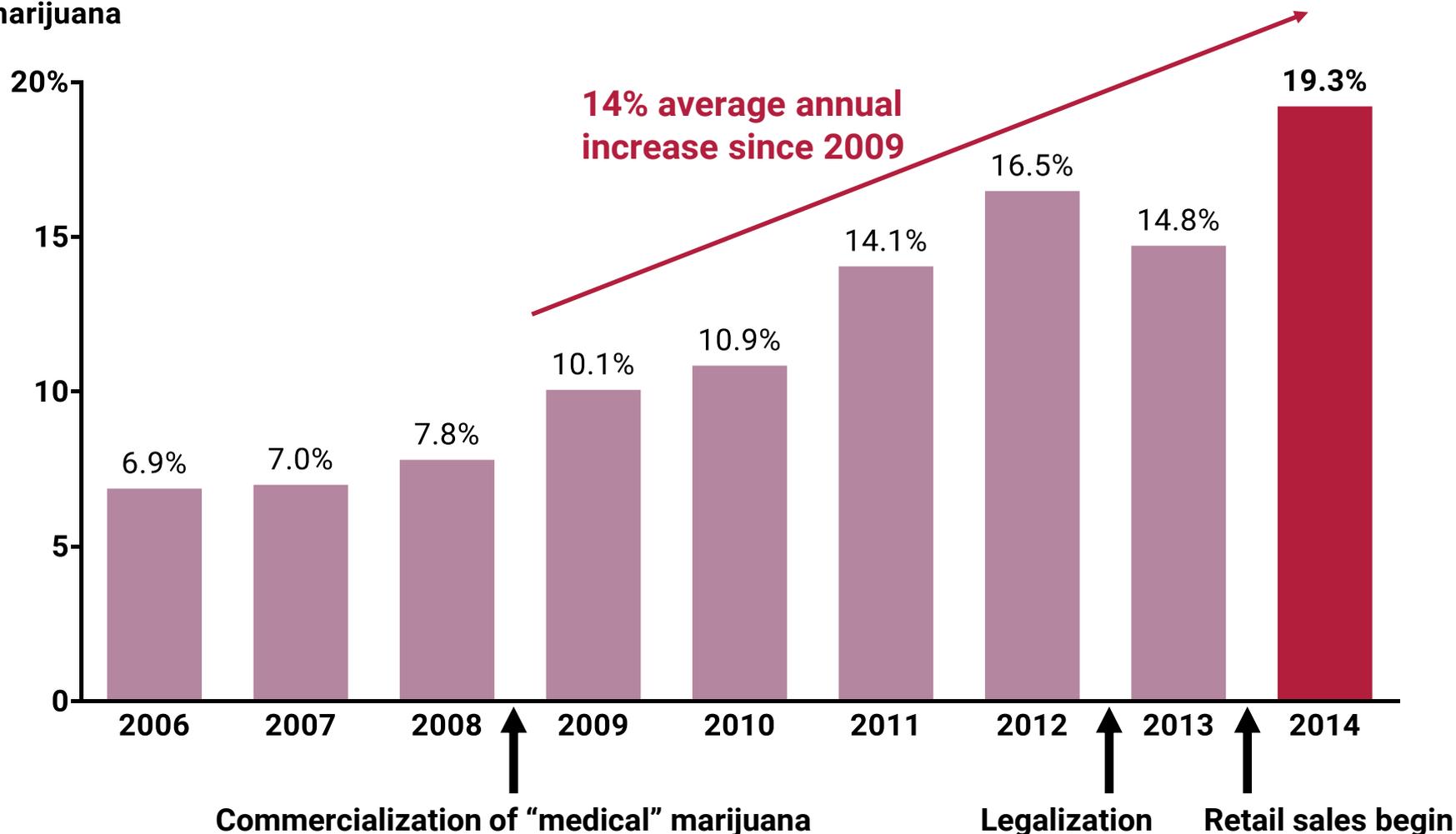
Marijuana-related traffic fatalities in Washington State doubled after legalization

WA traffic fatalities where driver tested positive for marijuana



In almost one of every five traffic fatalities in CO, the driver has been using marijuana

CO traffic fatalities where driver tested positive for marijuana



One pot-using employee could cost an employer thousands of dollars/year in absenteeism alone



- Additional absenteeism due to marijuana use may cost employers up to...
- **\$3,260/year** for each full-time hourly employee
- **\$2,407/year** for each full-time salaried employee

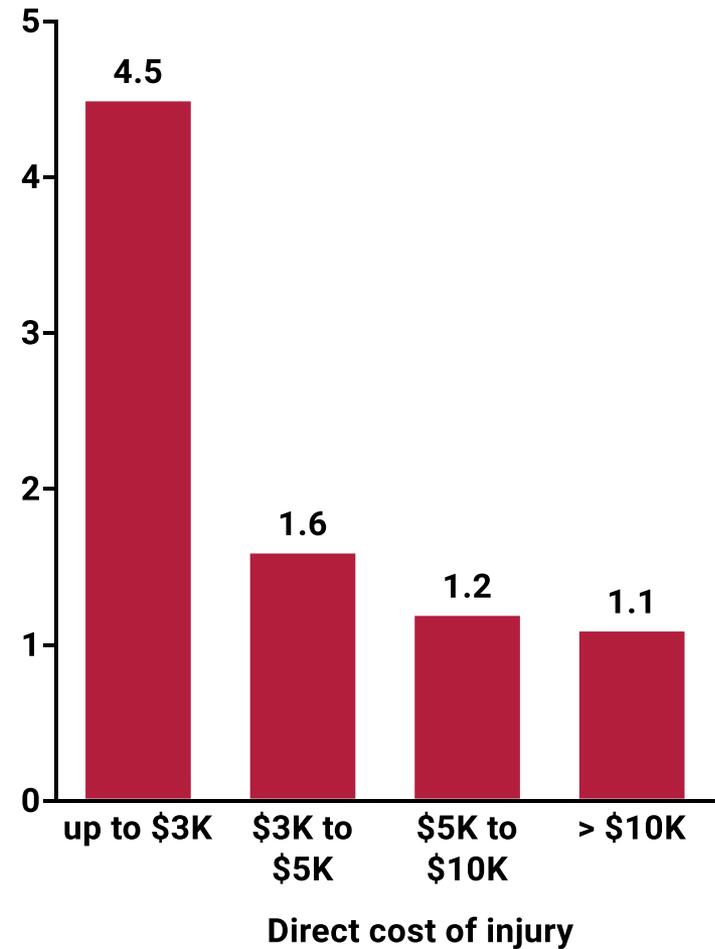
The average costs to an employer for the average workplace injury can exceed \$40,000

\$38,000

Estimated
average direct
costs of worker's
compensation
claim



Indirect costs as multiple
of direct costs



Marijuana use can imperil favorable workers' comp rates

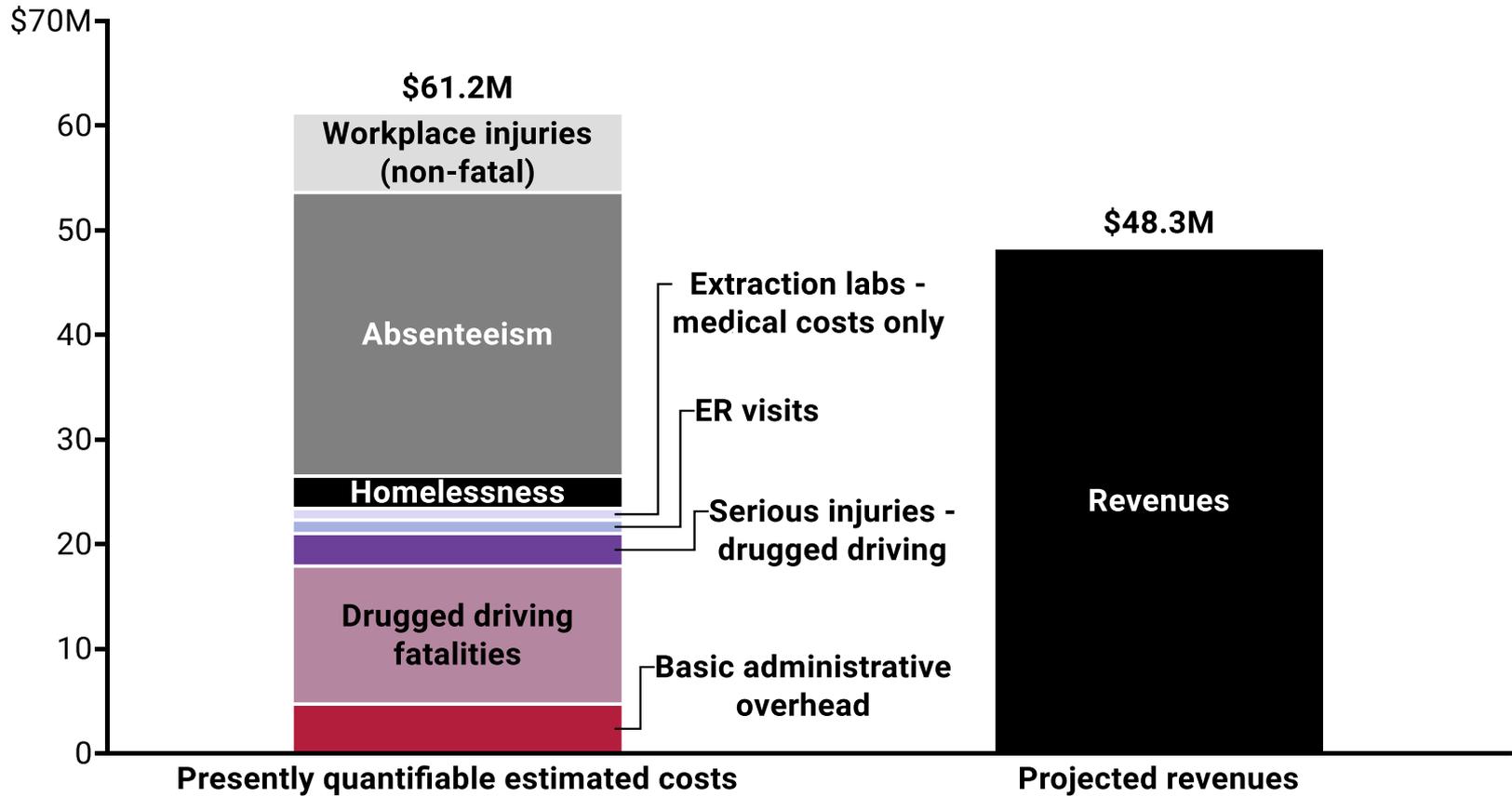
“Favorable workers' compensation rates are substantiated by testing employees for drugs, and **employers could lose access to those rates** if workers are legally using marijuana on their personal time.”

- *Associated Industries of Massachusetts*
March 2016



The state loses, too: in RI, estimates of just a few costs outweigh projected revenues by over 25%

Estimated value for 2020
(in millions of 2016 dollars)



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Conclusions (“BBQ Questions”)

- Is your business and state **more or less competitive with more pot users?**
- **How much will more pot use cost** your business? Your state’s economy?
- Is it good that the marijuana industry is **lobbying hard to undermine workplace drug testing laws?**
- Who will **pay for the long-term costs of marijuana use** -- if not insurance companies and the state?



Thank you!

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<http://learnaboutsam.org>

To learn more...

- Come to our marijuana policy conference in Baltimore: **August 16 at the Baltimore Waterfront Marriott**
- **Download the SAM Action app** by texting “SAM” to 797-979