

NEWS > POLITICS

San Diego police, sheriff should jointly crack down on illegal cannabis market, grand jury says

Its new report also recommends the city and county evaluate legalization's impact on their finances and the burden on law enforcement



By **DAVID GARRICK** | David.Garrick@sduniontribune.com | The San Diego Union-Tribune

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San Diego police and the county sheriff should collaborate to crack down on unlicensed cannabis delivery services and smoke shops that illegally sell synthetic CBD, the county grand jury says in a new report.

The report also recommends the city and county evaluate and document the impacts of cannabis legalization on their finances and local law enforcement efforts. The county is also asked to analyze impacts on health care.

While the eight-page report doesn't take a stand on the state's legalization of recreational marijuana in 2016, it describes many unintended consequences.

Those include a large black market that has endured, primarily because law enforcement has struggled to shut down unlicensed delivery services that don't pay taxes and don't test their products for purity and quality.

The report cites an independent analysis estimating that three-quarters of all cannabis sales in California are illegal, meaning they don't involve dispensaries or delivery services licensed locally or by the state.

In addition, the report says the number of smoke shops selling synthetic CBD products in San Diego is rising, even though it is illegal.

CBD, or cannabidiol, is an element of cannabis often credited with pain relief and other benefits. But CBD can also be made synthetically from hemp.

The report also notes a UC San Diego [study](#) finding that a rising number of seniors are being admitted to emergency rooms after using potent cannabis to treat pain and other health problems.

A key theme of the report is that local officials haven't adequately evaluated the impacts of legalization.

"To date there have been no published comprehensive reports or studies documenting the results of cannabis legalization," the report says.

To fix that, the report asks county and city officials to separately evaluate how legalized cannabis has affected their finances.

The report criticizes the city for not specifying how it spends revenue from its city cannabis tax. While it's normal for the city to lump tax revenues together in its general fund, the grand jury report notes that the stated purpose of the city's cannabis tax was to cover new expenses created by legalization.

"There is no direct correlation between cannabis tax proceeds and the allocation of those taxes to city services," the report says. "This makes it difficult to determine the impact of cannabis revenue on the city or on any program and has resulted in an inability to trace where the revenue from cannabis taxes is used."

Both agencies are also asked to analyze what new burdens legalization has put on law enforcement — county sheriffs and city police.

City and county officials won't comment on the report, which was published July 5, until late summer or fall. Grand jury reports set strict deadlines for responses – 60 days for county officials and 90 days for officials with other agencies.

The recommendation that county sheriffs and city police partner in a black-market crackdown comes after the grand jury found during interviews with law enforcement that they haven't been coordinating their efforts.

The report praised city police and other city officials for shutting down hundreds of unlicensed storefronts and essentially eliminating that type of illegal operation.

But unlicensed delivery services have been more elusive, partly because they often operate under the radar out of garages, apartments and single-family homes.

"These services 'divert' business from their licensed competitors as they have lower overhead, do not pay taxes, and conduct little, if any, quality, and health control," the report says. "As a result, many legitimate producers and retailers have not entered the regulated market due to higher costs."

Law enforcement officials say undercover stings, which are expensive and time-consuming, could be effective in a crackdown on illegal deliveries.

The report also notes that the number of smoke shops selling synthetic CBD products in San Diego is increasing, citing as evidence a 2023 open letter the city issued making smoke shops aware that selling these products is illegal.

On senior citizens, the report cites a recent study by the UCSD School of Medicine finding that there were 18 times as many cannabis-related emergency room visits for those 65 and older in 2019 as in 2005.

The grand jury report says that's partly because the cannabis older people used in the 1960s was far less potent than present-day cannabis, increasing the risk of bad reactions.

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2024 > July > 12