New Mexico recreational cannabis sales now underway

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By WM Communications Team

On April 1, New Mexico became the 18th U.S. state to legalize recreational cannabis. New Mexico's Cannabis Regulation Act (CRA) was passed a year earlier in April 2021 through the legislative process -- as opposed to a voter referendum -- and legalizes possession, use, production, transportation, and sale of commercial cannabis for non-medical, adult use.

In the year since approval, the state processed applications for cannabis businesses and worked to enact the legislation outlined in the CRA. Much of that legislation was written with small businesses in mind to ensure local entrepreneurs were able to get up and running by April 1. According to Bridget Hennessey, Vice President of Public Affairs at Weedmaps, New Mexico took a focused, equitable approach to their legal cannabis market – and one that will likely help the state realize success quickly.

"New Mexico lawmakers have taken a thorough, thoughtful approach to building out their retail cannabis market, and it's exciting to see it come to fruition," said Hennessey. "They've created a number of inclusive regulatory measures, including low application and license fees, specific call-outs for microbusinesses, and the option for retail cannabis consignment. We will certainly be watching to see if other states adopt similar measures in the future."

A recent **WM Policy blog** details some of the important steps New Mexico took to ensure the success of its recreational cannabis market. In addition to no license caps or local bans, other components of New Mexico's legal cannabis market include retroactive relief -- a critical means of achieving equitable cannabis policy reform. According to the **blog** post, "New Mexico passed one of the nation's most progessive cannabis expungement bills to date," allowing "all eligible criminal records [to] be automatically expunged if the original offense would no longer be a crime under the CRA."

Another exciting component of New Mexico's cannabis marketplace is consumption lounges. Per **WM Policy**, consumption lounges are part of a broader trend by states to allow people to legally consume cannabis at a licensed location. Nevada, New York and New Jersey will also be permitting consumption lounges when recreational sales begin, likely late this year.

When it comes to profitability, there's little doubt that New Mexico will reap tremendous benefits from its recreational market. **MJBizDaily** notes that the market for adult-use cannabis in the state is anticipated to be $125 million in 2022, and may hit sales north of $400 million within five years.

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