

AB 273 (IRWIN): CANNABIS: ADVERTISEMENTS: HIGHWAYS

POSITION: The Chamber's Public Policy Committee voted to OPPOSE the bill on April 14, 2021. The Chamber's Cannabis Policy Working Group recommended to OPPOSE the bill on March 23, 2021. The Board voted to OPPOSE the bill on April 22, 2021.

RATIONALE: The industry heavily relies on outdoor advertising since there are currently many restrictions to marketing to consumers online and product packaging. AB 273 would make it even more restrictive for the cannabis industry to legally advertise and compete with the unlicensed market.

STATUS: [AB 273](#) was introduced by Assemblymember Jacqui Irwin on January 19, 2021 and had its first hearing in the Assembly Committee on Business & Professions on April 20, where it failed passage but had reconsideration granted.

SUMMARY

With the passage of Proposition 64, cannabis billboard advertising is prohibited along interstate highways or state highways that cross the California border. AB 273 seeks to expand the current prohibition to **not allow** advertising to be **visible** from an interstate highway or a state highway.

INDUSTRY/IES IMPACTED

AB 273 will negatively affect the already highly-regulated cannabis industry as it restricts the main way that operators can advertise their businesses. In addition, this affects outdoor advertising companies and the California Outdoor Advertising Association strongly opposes the bill.

ADDITIONAL INFORMATION

Per state law (Proposition 64), cannabis advertising is prohibited on City streets within 1,000 feet of daycare centers, K-12 schools, and playgrounds, bans advertising along highways that cross the California border, and is only allowed where at least 71.6% of the audience is 21 years old or older.

AB 273 would go further by restricting advertisements to not be visible from an interstate highway or a state highway, rather than just located on a highway.

SUPPORTERS

- Alcohol Justice
- Board of Supervisors of Contra Costa County
- California Narcotic Officers Association
- Marvin D. Seppala, M.D. Chief Medical officer
- Hazelden Betty Ford Foundation
- Smart Approaches to Marijuana

OPPONENTS

- California Cannabis Industry Association
- California Outdoor Advertising Association
- California Cannabis Manufacturers Association
- California Hispanic Chambers of Commerce
- CalAsian Chamber of Commerce
- Los Angeles County Business Federation
- Los Angeles Area Chamber of Commerce
- Central Valley Business Federation
- San Francisco Chamber of Commerce
- Oakland Chamber of Commerce
- West Hollywood Chamber of Commerce
- Pasadena Chamber of Commerce
- Valley Industry & Commerce
- Meadow Outdoor Advertising
- Clear Channel

- Eaze
- Weedmaps
- Perfect Union Dispensaries
- Osiris Ventures DBA Norcal Cannabis
- Bizfed Central Valley
- Cannabis Distribution Association

ARGUMENTS IN FAVOR

The bill author argues that cannabis billboard advertising exposes children to it, which could lead to increased use among minors. AB 273 is in line with the intent of Proposition 64.

ARGUMENTS IN OPPOSITION

A billboard ban would make it even harder for the legal market to compete with unlicensed businesses, which do not pay any fees and sells at lower prices. In addition, the legal market already follows strict regulations to prevent youth access to cannabis.