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Marijuana Referendum Plus Several Congressional District Showdowns Could Lead To Big Spending In 2020 Elections

JEFF BRINDLE | January 7, 2020, 3:36 pm | in [The Diner Booth](#)

A controversial ballot question and a potentially competitive congressional election this fall presages significant spending by independent, outside groups. The state Legislature has placed a question on the fall ballot asking voters to legalize marijuana for recreational purposes. Also, while there are no other state elections in November, there will be federal congressional races in four districts in which Republicans will be attempting to win back seats lost to Democrats in 2018.

Combining the ballot initiative with a competitive federal election is likely to spur heavy spending, especially from independent groups. It could lead to new highs.

The ballot question follows an unsuccessful effort by pro-marijuana legislators and lobbyists to gain legalization of recreational marijuana through the legislative process.

At stake is a big piece of an American marijuana market that is expected to grow from \$13.6 billion in 2019 to nearly \$30 billion in 2025, according to New Frontier Data, an analytics firm that focuses on the cannabis industry.

Beginning in 2017, a two-year lobbying campaign was undertaken by cannabis advocates, whose goal was to have legislation passed that would legalize marijuana use. This effort was opposed by anti-marijuana groups.

As part of this effort, lobbyists employed mostly old school, direct lobbying methods and spent \$330,000 in 2017 advocating for or against legalization.

In just one year, however, spending by special interest lobbyists jumped by 319 percent. In 2018 special interest lobbyists spent \$1.4 million lobbying the Legislature on the issue, this time mostly by pro marijuana groups. Figures on 2019 activity will be available toward the beginning of March.

The heavy lobbying, however, was not enough to bring about a floor vote due to a reluctance among many legislators to embrace such a controversial measure.

Now that lawmakers have asked voters to decide the matter, spending for and against recreational marijuana use will predictably climb.

Already, \$140 million has been spent on public questions involving marijuana legalization efforts in 10 other states, according to the National Institute on Money in Politics. This includes unsuccessful and successful campaigns, sometimes in the same states. The total does not include initiatives focused solely on legalizing marijuana use for medical purposes

Illinois in 2019 became the first state to permit the use of marijuana solely through legislation and the 11th to legalize its use.

Spending on State Ballot Initiatives

Seeking Legalization of Marijuana

State	Year	Totals	Outcome
Michigan	2018	\$ 6,948,539	Passed
North Dakota	2018	\$ 437,491	Failed
Arizona	2016	\$ 15,257,014	Failed
California	2016	\$ 39,215,141	Passed
Maine	2016	\$ 3,745,152	Passed
Massachusetts	2016	\$ 9,954,444	Passed
Nevada	2016	\$ 3,698,114	Passed
Ohio	2015	\$ 23,404,946	Failed
Alaska	2014	\$ 1,305,909	Passed
Oregon	2014	\$ 14,371,741	Passed
Colorado	2012	\$ 4,197,901	Passed
Oregon	2012	\$ 640,872	Failed
Washington	2012	\$ 6,187,530	Passed
California	2010	\$ 4,998,147	Failed
Colorado	2006	\$ 1,283,016	Failed
Nevada	2006	\$ 3,958,179	Failed
Alaska	2004	\$ 1,017,697	Failed
Total		\$140,621,833	

Source: National Institute on Money in Politics

Not to be overlooked, independent groups spent \$52 million participating in the 2018 US Senate election and the campaign for the House of Representatives that saw districts 2, 3, 7, and 8 flip from Republican to Democrat.

More was spent in the four congressional swing districts (\$24 million) than in the Senate race (\$22 million).

If history is any guide, independent group spending will again be substantial this year as both parties struggle to either retain or regain seats in at least four highly contested districts.

The combination of the ballot question and the federal election is a recipe for independent groups spending the likes of which New Jerseyans have never seen.

As noted, spending by special interest lobbyists has thus far been in the mode of traditional, old school lobbying. However, the fact that the issue will now be before the voters in the form of a public question means special interests will have to change tactics and turn to issue advocacy and electioneering communications to urge the public to support or oppose the measure.

This switch, combined with spending trends in other states, foreshadows millions of dollars being spent by independent organizations in the 2020 election cycle.

Unfortunately, the sources of this spending may well be largely hidden from the public as groups undertake their spending campaigns behind innocuous names that may sound publicly-spirited but are really meant to flex the clout of private interest groups.

In other words, the public may not fully know who is advocating for and against the legalization of marijuana.

New Jerseyans can expect a barrage of television, radio, direct mail, and digital advertising that might challenge the record \$25 million spent on a 2016 ballot question asking voters to allow casino gambling outside of Atlantic City. Voters, incidentally, rejected that proposal.

For the first time, a meaningful percentage of this spending may go toward digital advertising, which is extremely difficult to track. As Michael Franz points out in [Interest Groups Politics](#), this trend began in earnest at the federal level in 2018. And it has been shown that what happens at the federal level inevitably trickles down to the states.

In fact, it already has. Known digital advertising in New Jersey legislative elections shot up 835 percent from \$269,382 to \$2.5 million in 2017, according to ELEC data.

Franz writes, "Digital advertising is a clear growth market, though, such that Borrell Associates predicts that spending on those ads will likely equal spending on television in 2020."

With this in mind, and with such an intense election year ahead in New Jersey, digital advertising will surely make its mark in the Garden State.

Advocates on both sides are likely to use conventional media combined with lots of digital advertising, including banner ads on Facebook and Twitter, pre-roll ads on YouTube, streaming ads on Hulu or Pandora, or ads on news websites to reach younger voters.

As New Jerseyans ring in the New Year, citizens can expect boffo spending by outside groups, an unprecedented digital ad blitz and significant challenges to transparency in politics and elections.

Jeff Brindle is the Executive Director of the New Jersey Election Law Enforcement Commission. The opinions presented here are his own and not necessarily those of the Commission.