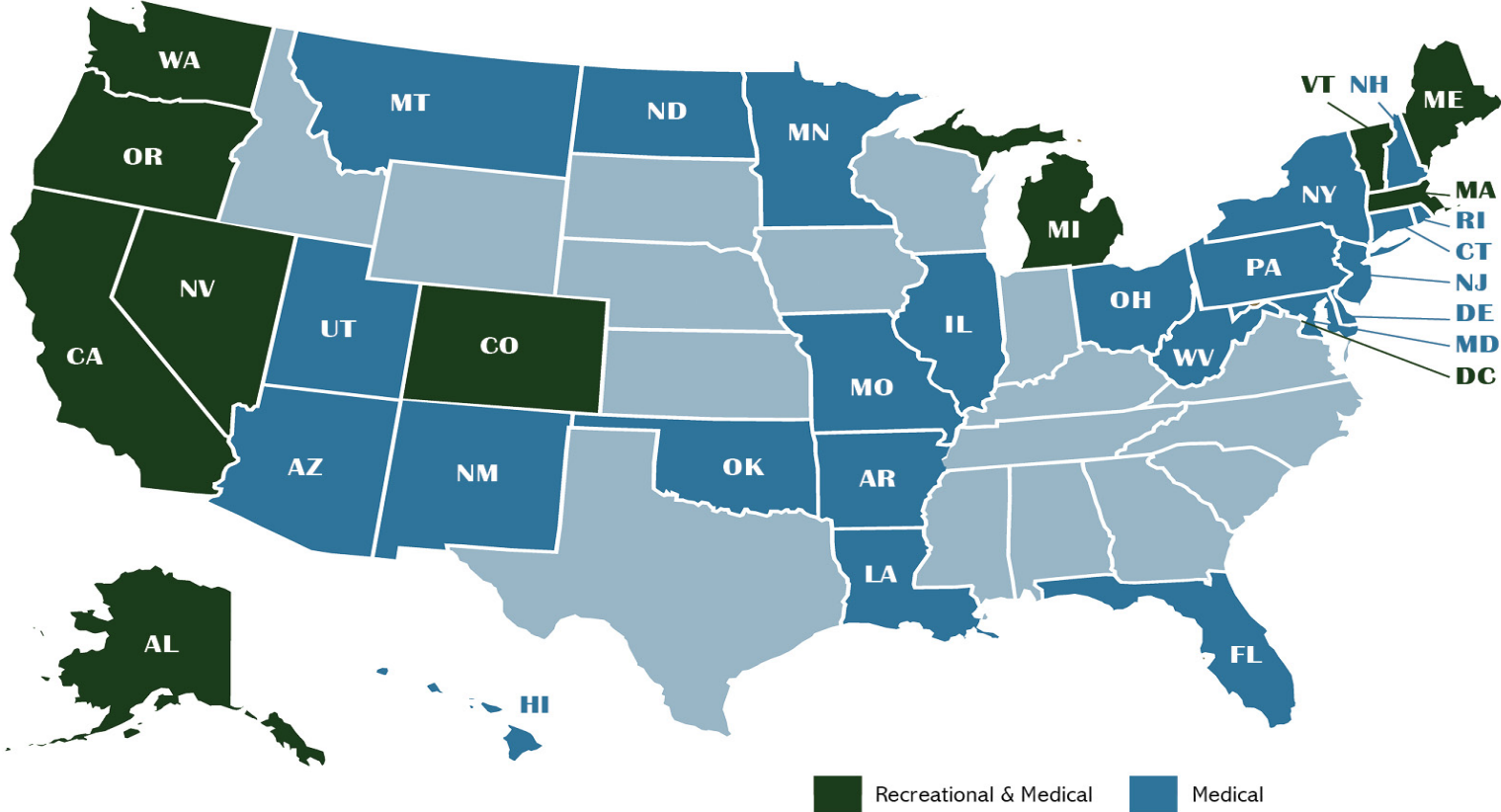


**Marijuana
Legalization
and the
Impact on
Colorado's
Counties**

**CCAP
Webinar
2019**



Where is Cannabis Legal?



Recreational & Medical

- Alaska
- California
- Colorado
- Maine
- Massachusetts
- Michigan
- Nevada
- Oregon
- Vermont
- Washington
- Washington, D.C.

Medical Only

- Arizona
- Arkansas
- Connecticut
- Delaware
- Florida
- Hawaii
- Illinois
- Louisiana
- Maryland
- Minnesota
- Missouri
- Montana
- New Hampshire
- New Jersey
- New Mexico
- New York
- North Dakota
- Ohio
- Oklahoma
- Pennsylvania
- Rhode Island
- Utah
- West Virginia

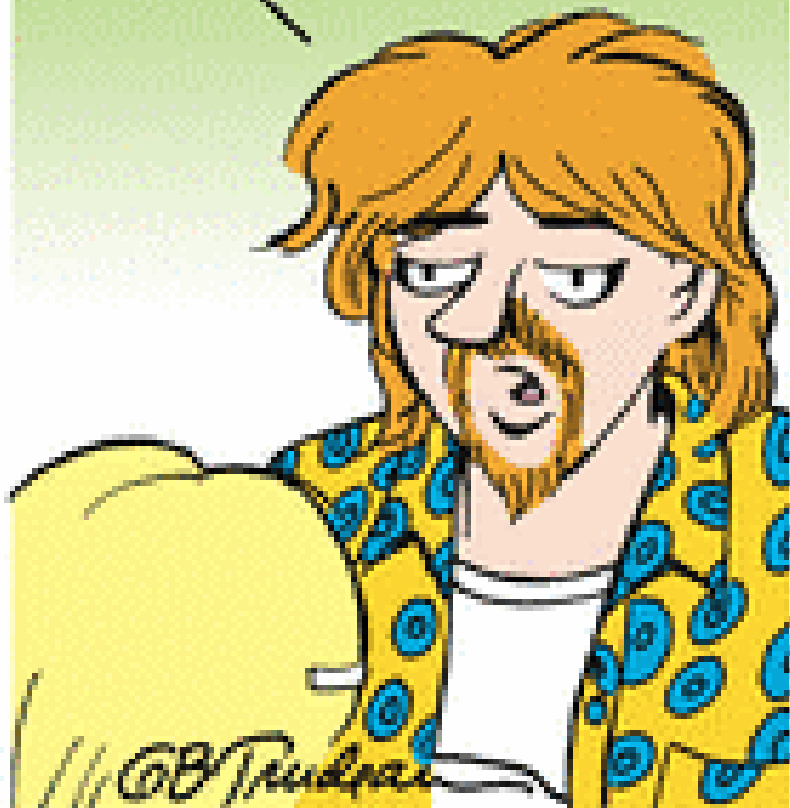
Colorado Pot Timeline

2000 – Colorado voters pass constitutional ballot measure legalizing medical marijuana

2010 – Colorado General Assembly passes legislation that establishes regulatory framework for licensing of medical marijuana facilities

November 2012: Down the Rabbit Hole We Go!

IT'S TIME FOR ME TO BEGIN
MY NEW LIFE AS A RESPECT-
ED COLORADO DRUG LORD!



RESPECT-
ED? SER-
IOUSLY?

SERIOUSLY.
THERE'S NO
LONGER ANY
STIGMA!

www.docmentary.com



Colorado Pot Timeline

2012 – Colorado voters pass **Amendment 64, a constitutional ballot measure legalizing the use, possession and personal cultivation of recreational marijuana**

2013 – Colorado General Assembly passes legislative package that establishes the regulatory framework for recreational marijuana

2013 – Colorado voters pass ballot measure establishing an excise and sales tax on recreational marijuana

Local Government Powers Under **Amendment 64**

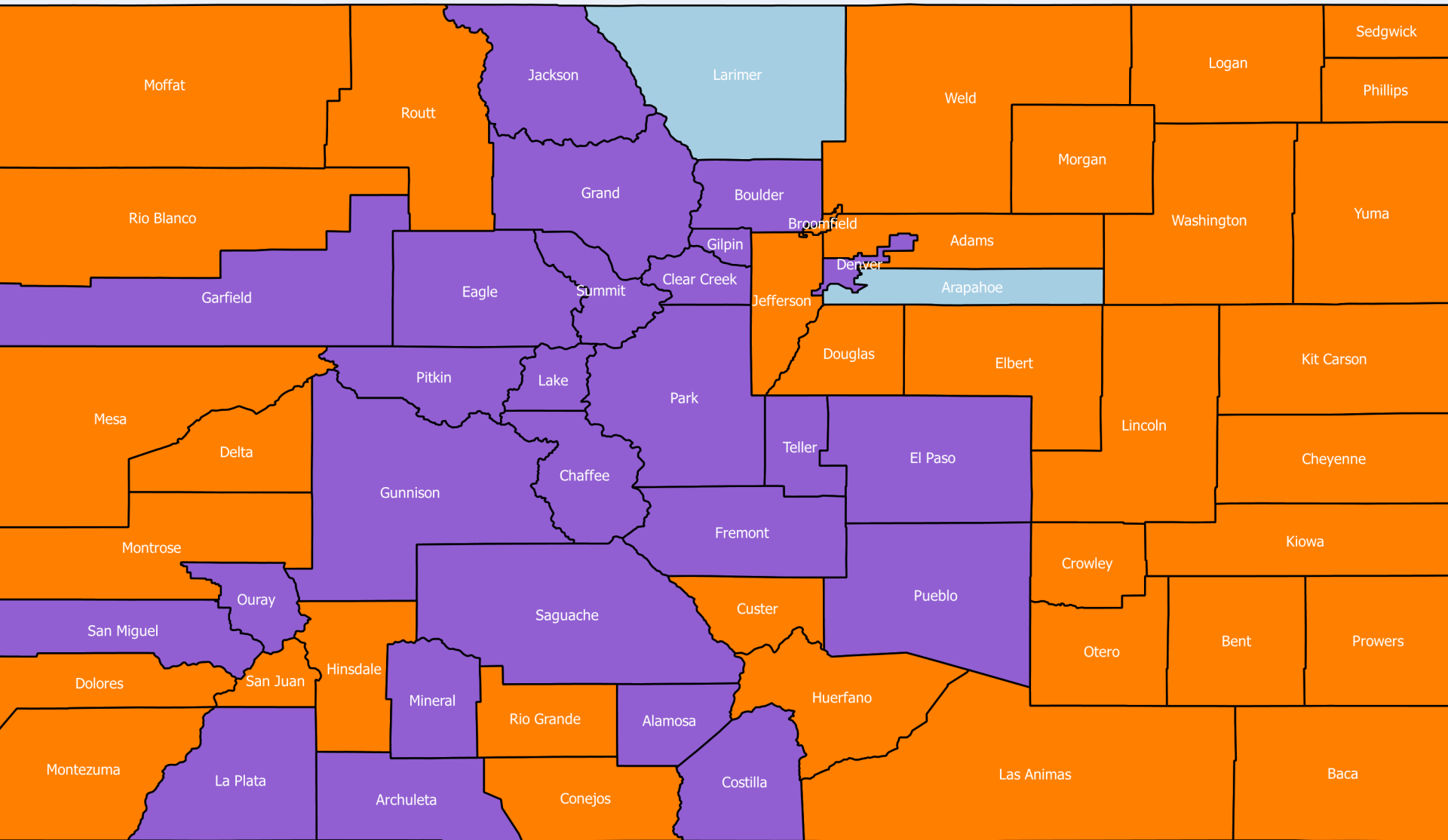
“A LOCALITY MAY PROHIBIT THE OPERATION OF MARIJUANA CULTIVATION FACILITIES, MARIJUANA PRODUCT MANUFACTURING FACILITIES, MARIJUANA TESTING FACILITIES, OR RETAIL MARIJUANA STORES THROUGH THE ENACTMENT OF AN ORDINANCE OR THROUGH AN INITIATED OR REFERRED MEASURE”
(Colorado Constitution, Article XVIII, Section 16, 5 (f))

Local Government Powers Under **Amendment 64**

“A LOCALITY MAY ENACT ORDINANCES OR REGULATIONS, NOT IN CONFLICT WITH THIS SECTION OR WITH REGULATIONS OR LEGISLATION ENACTED PURSUANT TO THIS SECTION, GOVERNING THE TIME, PLACE, MANNER AND NUMBER OF MARIJUANA ESTABLISHMENT OPERATIONS; ESTABLISHING PROCEDURES FOR THE ISSUANCE, SUSPENSION, AND REVOCATION OF A LICENSE ISSUED BY THE LOCALITY IN ACCORDANCE WITH PARAGRAPH (h)”

(Colorado Constitution, Article XVIII, Section 16, 5 (f))

County Regulatory Status - Medical Marijuana



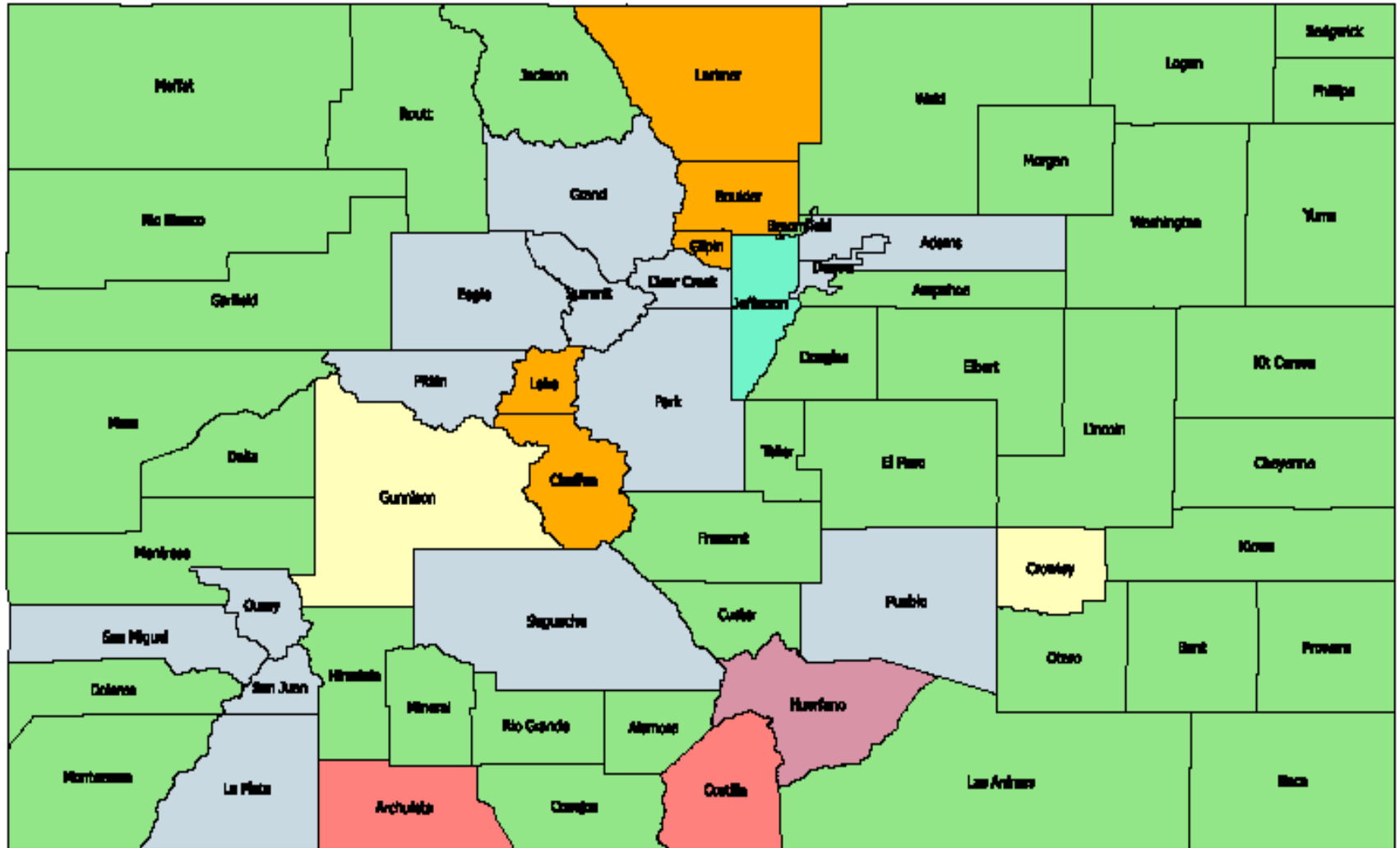
Allowing at least one type of license

Ban in effect

Ban in effect, but county grandfathered in existing MMJ businesses



County Regulatory Status - Recreational Marijuana



- Allowing Cultivation Only
- Allowing Sales and Cultivation Only
- Allowing Testing Only
- Ban or Moratoria in Effect
- Allowing Sales, Cultivation, Product Manufacturing & Testing
- Prohibiting New Establishments, but Allowing Migration of Existing
- Allowing Cultivation, Product Manufacturing & Testing Only

For Information purposes ONLY. Please contact individual counties for specifics on their regulatory status.

Created by
Trent Pingenot
for CCI

Map Revision:
August 4, 2017

Types of Licenses

- Cultivation (aka Grow Operations)
- Dispensaries (aka Sales/Pot Shops)
- Manufacture of Infused Products (aka MIPs)
- Testing Labs
- Transporter Licenses (individuals, not businesses)
- Research and Development

Colorado Pot Snapshot

Current Statewide Figures

- Medical MJ Businesses as of 5/1/17: **1,341**
- Retail MJ Businesses as of 5/1/17: **1,576**
- Active Occupational Licensees as of 5/1/17: **41,076**
- Tax revenue to date: **\$1.02 Billion** (does NOT include local tax revenues)
- Recreational sales in Colorado were over **\$1.54 billion** last year.

Local Government Impacts of Marijuana Legalization

#1 Problem: Increase in Illegal Grow Operations

COLORADO MARIJUANA SMUGGLING

Authorities say they've intercepted thousands of shipments of marijuana leaving Colorado, destined for sale on the black market in other states.

● States with Colorado marijuana



SOURCES: El Paso Intelligence Center, National Seizure System, as of March 20, 2015

Janet Loehrke, USA TODAY

● USA TODAY

Increased Illegal Grow Operations

- Continued problems with “black and grey market” illegal grow operations around the state – owing largely to weak home grow regulations. A bust in SE Colorado last year yielded over 22,000 pounds of marijuana.
- In response, the General Assembly passed legislation in 2017 that establishes a **plant cap** of 12 plants in each house (regardless of # of residents and whether it’s medical or recreational) and heftier fines for violations. The law PERMITS a county to allow caregivers to go up to 24 plants if they are registered with the county and state.
- Also created new grant program in DOLA to reimburse investigation and prosecution costs for local governments.

Increased Illegal Grow Operations

- \$1.2 million in Marijuana Tax Cash Funds in the Long Bill to create an interdiction team in the Colorado Bureau of Investigation that will – upon request - partner with local governments to conduct investigations into black market grow operations

Other Local Gov't Impacts/Concerns

- Increased cases of driving while under the influence
- Building department/zoning issues (nuisance issues like odor, mold, compatibility, etc.)
- Lack of tax revenue (shareback of state sales tax, but it goes to the point of sale – usually a muni)
- Need for better tracking of specific drug abuse (marijuana v. heroin or opioids) in human services/child welfare referrals
- Continued concerns over the safety of edibles
 - Levels of THC
 - Cleanliness of MIPs (county health department inspections?)
 - Attractiveness to children

Ban on Edibles Shaped Like Animals, Fruits or People

Employers' Rights

Colorado Constitution, Article XVIII, Section 16, (6)(a) “Nothing in this section is intended to require an employer to permit or accommodate the use, consumption, possession, transfer, display, transportation, sale, or growing of marijuana in the workplace or to affect the ability of employers to have policies restricting the use of marijuana by employees.”

Coats v. Dish Network Case

- **Dish Network employee (Brandon Coats) was terminated after he tested positive for marijuana. Coats is a quadrapalegic and a red card holder and used medical marijuana during NON-work hours.**
- **Coats filed a wrongful termination suit that went all the way to the Colorado Supreme Court. Court ruled that Dish Network was within their rights to terminate Coates.**
- **While the facts of this case are unfortunate, the holding is INCREDIBLY important for local governments in Colorado.**

2019 Pot Legislation

HB19-1230
Marijuana Hospitality
Establishments

HB19-1234

Marijuana Deliveries

Colorado County Recommendations

- **Local Control – Opt-in (not opt out) and ability to have more stringent requirements than those of the state**
- **No home grows (possible exception for medical caregivers)**
- **Explicit authority for local sales and/or excise tax or a shareback of state tax (for excise tax, ensure AMR or similar protections to prevent chicanery)**
- **Ability to have drug-free workplace policies**
- **Defined policies on open and public use**
- **Defined impairment levels (driving while high)**

A Quick Word About Hemp

Industrial hemp cultivation authorized by Amendment 64. Considered a matter of statewide concern and the Dept. of Agriculture will issue registrations anywhere in the state.

Not much of a role for counties – in 2019 we received some limited regulatory authority over the processing and manufacturing aspect of hemp. Some counties have looked at some zoning restrictions (usually just requiring state registration)

Hemp production has taken off across the state. Currently 51 of Colorado's 64 counties have at least one registered land area. Colorado grows more hemp than any other state!

Weld County currently has the most registrations followed by Delta, Larimer, Mesa, and Boulder.

April 2019

**Denver votes to decriminalize
psilocybin mushrooms**

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