

Colorado and Washington: Life After Legalization and Regulation

"I would say that the rollout was extremely smooth, the sky hasn't fallen like some had predicted, and we're moving forward and trying to fine tune this regulatory model."

— Ron Kammerzell, deputy senior director of enforcement for the Colorado Department of Revenue, the marijuana regulatory agency

Crime

- In Colorado, marijuana cases filed in state courts plummeted 77% between 2012 and 2013. Petty marijuana possession charges also fell 81%.¹
- In Denver, the city with the largest concentration of marijuana-related businesses, overall crime in 2014 fell 2.9% as compared to 2013. Violent crime fell 1.9%.²
- In 2013 in Washington, 120 misdemeanor cases were filed, which is down from 5,531 cases in 2012, freeing up law enforcement time to focus on serious crime.³

Taxes

- Colorado collected over \$67.6 million in fees and taxes from marijuana businesses in the first 11 months of retail marijuana sales.⁴
- Washington generated about \$15 million in marijuana taxes in 2014,⁵ with the first licensed businesses opening in July and more opening in a gradual ramp up. Marijuana sales and excise taxes totaled more than \$5 million in December alone.⁶
- In Colorado, the legislature has set aside \$2.5 million in marijuana tax revenue to allow schools to hire health professionals.⁷
- Officials estimate that in 2015 in Colorado, the marijuana contribution to Department of Education Building Excellent Schools Today (BEST) grants will be about \$10 million.

Jobs

 About 16,000 occupational licenses have been issued for jobs created directly by Colorado's marijuana industry.⁸

 $^{^1}$ John Ingold, "Marijuana case filings plummet in Colorado following legalization," *Denver Post*, January 12, 2014.

² "Crime in the City and County of Denver based on UCR Standards," Denver Department of Safety, http://www.denvergov.org/Portals/720/documents/statistics/2014/UCR_Citywide_Reported%20_Offenses_2014.pdf.

³ "Washington's new marijuana law may be freeing up police resources," Associated Press, March 19, 2014.

⁴ "Colorado Marijuana Tax Data," Colorado Department of Revenue,

https://www.colorado.gov/pacific/revenue/colorado-marijuana-tax-data.

⁵ "Medical pot a challenge for some states," *Associated Press*, January 2, 2015.

 $^{^{\}rm 6}$ "Frequently Visited Lists," Washington State Liquor Control Board,

http://www.liq.wa.gov/records/frequently-requested-lists.

⁷ Yesenia Robles, "Colorado schools starting to see pot tax revenue for capital projects," *Denver Post*, July 31, 2014.

• Collateral sector workers retained by marijuana businesses include: lawyers, accountants, construction workers, landlords, advertisers, consultants, security, insurance, transportation, and indoor growing-supply equipment providers.

Teens' Marijuana Use

- According to the most comprehensive study on teen marijuana use in Colorado, teen marijuana use has not risen since marijuana became legal in 2012: It dropped within the margin of error from 22% in 2011 to 20% in 2013.⁹
- Sting operations conducted by state regulators and local police found 100% compliance, meaning no Colorado marijuana retailers were selling to minors.¹⁰
- In Washington, past-month use by 12-17 year olds is unchanged from 2011 to 2013.

Road Safety

• Traffic fatalities fell 3% in the first year of legal marijuana sales in Colorado, from 481 fatalities in 2013 to 466 fatalities in 2014.¹¹

Tourism

 Colorado ski resorts enjoyed a record-breaking season last winter, with 12.6 million visitors.¹² In Denver, 14 million tourists spent an all-time high of \$4 billion.¹³

Real Estate

- In 2013, Colorado home sales increased 26.3%, and the price of homes jumped 10%.
- In 2013, Denver attracted more sales of single-family homes than during the housing boom,¹⁴ and is ranked among the top commercial real estate markets to watch.¹⁵

Economy

- Colorado was ranked by Business Insider as the #1 fastest-growing economy among U.S. states. Washington was ranked #7.¹⁶
- Colorado experienced its lowest unemployment rate in more than six years, with three years of uninterrupted job growth.¹⁷

⁸ "Marijuana Enforcement," Colorado Department of Revenue, http://www.colorado.gov/cs/Satellite/Rev-MMJ/CBON/1251581331216.

⁹ "New survey documents youth marijuana use, need for prevention," Colorado Department of Public Health and Environment, press release, August 7, 2014.

¹⁰ "Colorado: Pot shops not selling to kids," NBC 9News, June 26, 2014.

¹¹ "Fatal Crash Data," Colorado Department of Safety, https://www.codot.gov/library/traffic/traffic-manuals-guidelines/safety-crash-data/fatal-crash-data-city-county.

¹² Jason Blevins, "Colorado skier visits surge to 12.6M in 2013-14, set new season record," *Denver Post*, June 12, 2014.

¹³ Jason Blevins, "Denver tourists spend record \$4.1 billion in 2013," *Denver Post*, June 18, 2014.

¹⁴ Aldo Svaldi, "Denver home sales break record set in housing boom," *Denver Post*, January 8, 2014.

¹⁵ Dennis Huspeni, "Denver ranks as a top 'market to watch' for commercial real estate," *Denver Business Journal*, January 17, 2014.

¹⁶ Andy Kiersz and Elena Holodny, "Here's How All 50 State Economies Are Doing, Ranked From Slowest To Fastest," *Business Insider*, August 4, 2014.

¹⁷ "Colorado jobless rate hits 4.3 percent, 6½-year low," Associated Press, November 21, 2014.