



The Impact of Legalization in Colorado

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In November 2012, Colorado voters approved a ballot initiative to regulate and tax marijuana like alcohol. Possession and cultivation of small amounts of marijuana officially became legal for adults in December 2012, and licensed businesses began legally selling marijuana to adults on January 1, 2014. Opponents of the law said it would cause more problems than it would solve, but their dire predictions have proven to be unfounded, and the state is experiencing a variety of benefits.

Public Opinion and Good Government

- Polls have repeatedly shown public support for Colorado’s marijuana legalization law remains just as strong or stronger than when it passed, and a survey conducted in September 2016 by Public Policy Polling found that only about one-third of voters would support repealing it.
 - A Quinnipiac University Poll conducted this February found 71% of U.S. voters — including majorities of Republicans, Independents, Democrats, and every age group — oppose enforcement of federal marijuana prohibition laws in states that have made it legal. It also found that 59% of U.S. voters support making marijuana legal for adults.
 - In July 2014, the Brookings Institution released a report titled, “Colorado’s Rollout of Legal Marijuana is Succeeding,” which concluded, “[Colorado] has made intelligent decisions about regulatory needs, the structure of distribution, prevention of illegal diversion, and other vital aspects of its new market. It has made those decisions in concert with a wide variety of stakeholders in the state.”
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Regulation, Control, and Criminal Justice

- In 2016, \$1.3 billion in marijuana sales took place in legitimate, taxpaying businesses instead of in the underground market, according to the Colorado Department of Revenue. These state- and locally-licensed establishments are subject to strict public safety and public health regulations that are enforced through frequent compliance checks by state and local authorities. In early 2016, *The Economist* reported that state officials believe 70% of the estimated demand for marijuana in Colorado is now being met by the regulated market, with the rest primarily being met through the gray market (i.e. marijuana grown legally at home by adults or licensed medical marijuana caregivers).
- After slightly increasing for several years, the number of marijuana trafficking offenders in the U.S. dropped sharply from 2012 (the year Colorado and

Washington approved legalization laws) to 2015 (the year after regulated sales began), according to the U.S. Sentencing Commission. The U.S. Border Patrol reported a 24% drop in marijuana seized at the U.S.-Mexico border from 2011 to 2014, and the Mexican army reported a 32% drop in marijuana seizures at the border from 2013 to 2014.

- Marijuana-related court filings dropped 81% from 10,340 in 2012 to 1,954 in 2015, according to the Colorado Department of Public Safety. Law enforcement officials no longer need to make arrests, write citations, or appear in court for cases involving low-level marijuana offenses, which means they can spend more time addressing serious crimes.
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Tax Revenue and Job Creation

- Regulated marijuana sales in Colorado generated nearly \$200 million in state tax revenue and license fees in 2016, according to the state Department of Revenue. As of fall 2016, the Legislature had already distributed approximately \$220.8 million in marijuana tax funds, and less than 10% of those funds were needed to cover the costs associated with regulating marijuana. More than \$138.3 million was distributed to the Department of Education to benefit Colorado schools, including about \$115 million for school construction. State tax revenue was also used for a variety of law enforcement, public health, and substance abuse treatment programs. Cities and towns have also raised millions of dollars in local taxes and fees, using the funds for critical infrastructure projects, programs that address homelessness, and college scholarships.
 - As of September 2016, there were 28,847 individuals with valid occupational licenses to work directly in Colorado marijuana businesses, according to the Colorado Department of Revenue. Marijuana businesses also retain workers and utilize services from a wide variety of collateral sectors, such as construction, engineering, security, legal, insurance, real estate, and retail.
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Economy, Tourism, and Real Estate

- In March 2017, *U.S. News & World Report* ranked Colorado as the best state economy in the nation. A firm that has been contracted by the state to perform economic analyses of the legal marijuana industry found that it generated \$2.4 billion in overall economic activity in 2015. The *Forbes* list of 190 “best places for business” included five Colorado cities in the top 50, including Denver at #1.
- Colorado remains a top destination for leisure and business travel, breaking records for number of visitors and amount of dollars spent for the fifth year in a row in 2015.

- Colorado home prices increased at some of the fastest rates in the nation from 2012 to 2016, according to housing trend tracker CoreLogic.
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Quality of Life, Teen Use, Public Health, and Safety

- In March 2016, *U.S. News & World Report* named Denver the #1 best place to live in the United States. The only other Colorado metro area large enough to be considered, Colorado Springs, was ranked #5.
- In February 2017, the Colorado Department of Public Health and Environment reported that the rate of marijuana use among adults and adolescents “has not changed since legalization either in terms of the number of people using or the frequency of use among users.” It also concluded that, “Based on the most comprehensive data available, past-month marijuana use among Colorado adolescents is nearly identical to the national average.” The Colorado Department of Education reports high school graduation rates have significantly increased and dropout rates have significantly decreased since 2010.
- Colorado government and law enforcement officials have repeatedly stated that there is not enough data to draw any conclusions about what impact, if any, the state’s marijuana laws are having on crime rates. There is no evidence of marijuana use contributing to increases in crime, and overall crime rates have remained relatively stable and in some cases slightly decreased. Police have reported that crimes against marijuana businesses make up a tiny fraction of overall crime. In response to Attorney General Jeff Sessions’ comments about marijuana and crime, Summit County District Attorney Bruce Brown said, “It’s a tough equation to know with certainty, but I feel like legalization did not at all significantly increase threats to public safety.” Several other law enforcement officials have made similar comments. In an August 2015 report from *The Mountain Mail*, Chaffee County Sheriff John Spezze said, “There hasn’t been anything remarkable in terms of pot being a law enforcement issue that I’ve seen.” Buena Vista Police Chief Jimmy Tidwell added, “With marijuana, you don’t see issues of violent behavior or domestic abuse like you see with alcohol or hard drugs.”
- In 2015 and 2016, Colorado experienced a slight uptick in traffic fatalities, but state officials attributed it to an increase in motorcycle accidents, distracted driving, and people not wearing seat belts, and they did not mention marijuana as a contributing factor. Also, several states that have not legalized marijuana experienced larger increases in traffic deaths than Colorado, whereas Washington, which legalized marijuana in 2012, experienced a slight decrease. In February 2017, the National Highway Traffic Safety Administration reported that traffic fatalities increased nationwide in 2015 and 2016, which they largely attribute to improvements in the economy and lower gas prices, noting that more people are driving more miles.