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Denver Auditor: Marijuana Policy Office Needs More Transparency

THOMAS MITCHELL | DECEMBER 8, 2017 | 8:21AM



The City of Denver should be more transparent in the way it spends our tax dollars, specifically money from legal cannabis revenue, according to Denver Auditor Timothy O'Brien.



In 2016 O'Brien and his team audited the **Office of Marijuana Policy**, an extension of the Denver **Department of Excise and Licenses** created by Mayor Michael Hancock to oversee the city's cannabis programs and regulations. The audit found that the Office of Marijuana Policy needed more transparency in how it spends cannabis tax revenue, as well as more community outreach and the documentation of the progress.



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"The department is working to improve transparency and outreach efforts," O'Brien said at the time. "It could still improve disclosure around specific planned uses of recreational marijuana tax revenues, to ensure the money is used as many voters wanted when they approved legalization of

	2,385,648
Enforcement	
Police	1,249,619
Parks and Recreation	175,000
City Attorney's Office	1,381,184
	2,805,803

The proposed 2018 budget shows more than \$21 million in pot tax revenue would be spent by the City of Denver.

City of Denver

The 2016 report found that Denver's pot-tax revenue went into its general fund with little transparency to show if the money was used as directed by voters for marijuana regulation, education, enforcement, public health and other expenses related to operating the city and its facilities. The 2017 follow-up shows that Excise and Licenses had implemented some of the audit recommendations, but others were still in progress past their deadlines; O'Brien called on the department to further detail what program and initiatives received pot money.



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Denver's proposed 2018 budget accounts for approximately \$21 million of cannabis sales tax revenue, but O'Brien says that information is only part of what the Office of Marijuana Policy should have shared. "Auditor O'Brien found the Department of Excise and Licenses should provide increased transparency on how all marijuana revenues will be spent to support various programs and initiatives," according to the announcement of the new audit.

The city's budget for 2018 includes 115 references to marijuana, with pot money earmarked for different city funds, including \$10 million to the Capital Improvement Fund, \$5 million for transportation maintenance, \$1.8 million on affordable housing and \$4 million for **Denver Parks and Recreation**.

Education	
Office of Marijuana Policy/Excise and Licenses	1,090,000
Parks and Recreation	99,803
Children's Affairs	1,516,753
Denver Health	169,172
Office of Behavioral Health	776,388
	3,652,115
Total Expenditures for Regulation, Enforcement, and Education	8,843,567
Public Health	
Affordable Housing (Office of Economic Development)	\$1,863,375
Opioid Intervention and Resources (Department of Environmental Health)	\$500,000
	\$2,363,375
Improvement to City and Facilities – Deferred Maintenance	10,000,000
Total Expenditures	21,206,941

Over \$1.8 million of Denver's budget could be spent on affordable housing in 2018.

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