Breakout Session IV: Colorado and Denver Legal Marijuana Enforcement

The three groups (among many):
- Marijuana Enforcement Division (MED)
- Denver Police Department
- Excise and Licenses
Brian Snow – Compliance Program Administrator

• Formerly with the Marijuana/Excise and Licenses teams in the City Attorney’s Office
• Moved to Excise and Licenses to coordinate all the different agencies that regulate marijuana
• Standardize the work being done by our 5 inspectors and Chief inspector
• Making the goal of our department to bring every license into compliance by a number of methods
  • Verbal notices
  • Notices of Violations (written documentation of a compliance issue)
  • Reports that are referred to the City Attorney’s Office
Continuous Compliance Inspections:

• Pivot from focusing on new inspections (safety based) to compliance inspections (educational partnership).
• Risk Based Inspections, rather than annual.
• Ensure the continued health, safety and welfare of the community though Licensing and Inspection.
• Clear, consistent Inspection Expectations.
Colorado Marijuana Framework & Economy

Gray Market

Private Citizen Segment

- Amendment 20
- Patients & Caregivers
- Law Enforcement
- Colorado Dept. of Public Health and Environment

Commercial Licensed Regulated Segment

Medical Amendment 20
- CO Dept. of Revenue, Marijuana Enforcement Division
- Local Licensing Authorities
- Law Enforcement

Retail/Recreational Amendment 64
- Colorado Dept. of Public Health and Environment
### Marijuana Business Licenses

<table>
<thead>
<tr>
<th>License Types</th>
<th>Medical Licenses</th>
<th>Retail Licenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Centers/Stores</td>
<td>476</td>
<td>547</td>
</tr>
<tr>
<td>Cultivations</td>
<td>687</td>
<td>736</td>
</tr>
<tr>
<td>Infused Product Manufacturers</td>
<td>238</td>
<td>285</td>
</tr>
<tr>
<td>Testing Facilities</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>Operators</td>
<td>5</td>
<td>9</td>
</tr>
<tr>
<td>Transporters</td>
<td>10</td>
<td>13</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>1,427</strong></td>
<td><strong>1,601</strong></td>
</tr>
</tbody>
</table>

**Total Licensed Businesses: 3,028** *(November 1, 2018)*
Occupational Licenses

• As of November 1, 2018 - 41,158 active MED occupational licensees
• Background investigation required prior to licensing
• Fingerprint check system allows notification to MED of arrest of licensee

<table>
<thead>
<tr>
<th>Occupational License Type</th>
<th>Number of Licenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Associated Key Licenses (Owners)</td>
<td>1,675</td>
</tr>
<tr>
<td>Key Occupational Licenses</td>
<td>13,070</td>
</tr>
<tr>
<td>Support Occupational Licenses</td>
<td>26,684</td>
</tr>
<tr>
<td><strong>TOTAL:</strong></td>
<td><strong>41,429</strong></td>
</tr>
</tbody>
</table>
Marijuana Enforcement Division Regions & Field Offices

- Longmont: Northern Colorado
- Grand Junction: Western Slope
- Lakewood: Denver & Head Quarters
- Colorado Springs: Southern Colorado
- Denver & Head Quarters
METRC™ RFID tags
METRC™ RFID Package Tags
Universal Symbol
Licensed Marijuana Enforcement

Denver Police Detective Paul Streate
Denver Police Detective Joe Delmonico
Denver Police Detective Tom Sanchez
Vice & Narcotics Section
Liaison to Denver Department of Excise & Licenses
Why do *WE* care about MJ?

1. Schedule 1 Mind-Altering Drug
2. Licensing has created “THE INDUSTRY”
3. Black Market is BOOMING
4. MJ IS STILL ILLEGAL! (Title 18)
5. Law Enforcement has a duty to enforce & uphold the laws
6. Mission Directives of Agency/ City
The Rules-

Create the regulatory framework

DEPARTMENT OF REVENUE
Marijuana Enforcement Division
SALES, MANUFACTURING, AND DISPENSING OF MEDICAL MARIJUANA
1 CCR 212-1

[Editor's notes follow the text of the rules at the end of this CCR document]

M 100 Series – General Applicability

Basis and Purpose – M 101

The statutory authority for this rule is found at subsections 12-43.3-202(1)(b)(I), 12-43.3-801(2), and 18-18-406(7.5), C.R.S. Any person who buys, sells, transfers, gives away, or acquires Medical Marijuana outside the requirements the Medical Code is engaging in illegal activity pursuant to Colorado law. This rule clarifies that those engaged in the business of possessing, cultivating, dispensing, or selling Medical Marijuana must be properly licensed to be in compliance with Colorado law.

M 101 – Engaging in Business

No person shall engage in the business of cultivating, possessing, selling, or offering to sell Medical Marijuana or Medical Marijuana-Infused Product unless said person is duly licensed by the State Licensing Authority and the relevant local licensing authority(ies).
Regulatory & Criminal Cases

• Regulatory rule violations lead to administrative sanctions- Fines, Closures, and Suspension or Revocation of license.
Common Regulatory Cases

- Operating without proper or valid license
- Inventory/ amount violations
- Sales to Underage (Retail 21+)
- Operating outside licensed premise
- Surveillance cameras not working
- Illegal waste/ dumping
- Smurfing/ Diversion/ Resale cases
- Public Safety- Fire, Food safety, pesticides