

Marijuana in Larimer County – How We Got Here & What's Next

Where We Are Now

- The Board of County Commissioners needs to decide whether to:
 - 1) Ban
 - or
 - 2) Regulate
Marijuana (MJ) retail stores, MJ cultivation facilities, MJ product manufacturers & MJ testing facilities

- Actions by the Board of County Commissioners on MJ only apply to properties in unincorporated Larimer County
- Cities & towns will make their own decisions
- Local govt. regulations will not affect Amendment 64 provisions for personal growing & use of MJ

Amendment 20 - Medical Marijuana (MMJ)

- Passed by Colorado voters in November, 2000
- allows patients who have received a medical marijuana registry card the ability to engage in the lawful use of marijuana for medicinal purposes

Patients

- Patient must have a debilitating medical condition & a recommendation from a doctor to be on the MMJ registry
- Options:
 - 1) Obtain up to 2 ounces usable form MMJ from a caregiver
 - or
 - 2) Can grow up to 6 plants (only 3 flowering)

Registered Patients

- Jan. 2004: 512
- Jan. 2009: 5,051
- Jan. 2010: 53,038
- June 2011: 128,698 - Peak
- Jan. 2012: 85,124
- Jan. 2013: 108,658

- Why the sudden growth?

State Regulations

- 2007 lawsuit overturned a state rule - caregivers can only provide MMJ to 5 patients
- Caregiver – significant responsibility for managing well-being of a patient
 - 2009 rule change allowed caregivers to only provide MMJ to patients

Ogden Memo – October 2009

- Federal Dept. of Justice guidance to federal prosecutors
- *prosecutors should not focus federal resources on individuals & caregivers whose actions are in clear and unambiguous compliance with existing state laws providing for the medical use of marijuana*

Larimer County

- First inquiries about dispensaries and grow operations summer, 2009
- Inquiries increased significantly fall, 2009
- Larimer County adopted first MMJ land use regulations January 4, 2010

Larimer County Regulations

- Dispensaries & grow operations
- only in the C – Commercial & I – Industrial zoning districts
- 1,000 foot buffer – schools & child care centers
- 500 foot buffer – homes, colleges, churches, public parks, etc.
- Public hearings & approval from the Board of County Commissioners

HB 10-1284 Colorado Medical Marijuana Code

- Effective July 1, 2010
Regulations & licensing requirements for MMJ dispensaries, cultivation facilities & infused product manufacturers
- Authorized counties and cities to ban commercial MMJ operations

Larimer County

- MMJ moratorium on June 28, 2010
- 12 Special Review applications received prior to moratorium
- MMJ ban approved August 23, 2010

Larimer County

- Of the 12 applications:
 - 3 withdrawn
 - 7 denied
 - 2 approved
- The two dispensaries/grow facilities that were approved continue to operate but cannot relocate or expand

Cole Memo - June 29, 2011

- Federal Department of Justice
- The term "caregiver" as used in the Ogden memorandum meant individuals providing care to individuals with cancer or other serious illnesses, not commercial operations cultivating, selling or distributing marijuana.

Amendment 64 - Recreational (Adult Use) Marijuana (MJ)

- Passed by CO voters November 6, 2012
 - Statewide 56.35% in favor
 - Larimer County 55.77% in favor
- Adults 21 and older can possess up of 1 ounce of MJ
- Can grow up to 6 MJ plants (3 flowering)
- No public consumption

Amendment 64 - Commercial

- Retail MJ stores, cultivation facilities, manufacturing facilities & testing facilities must be licensed

State & Local Govt. Obligations

- State – no later than July 1, 2013
 - Create licensing requirements for retail MJ stores, cultivation facilities, product manufacturing facilities & testing facilities
- Local government - no later than October 1, 2013
 - Adopt regs, ban, or refer ban to voters

Governor's Task Force

- Charged with developing recommendations for the implementation of Amendment 64
 - State lawmakers
 - CO Dept. of Public Health & Environment
 - CO Dept. of Public Safety
 - Attorney General's office
 - Physicians
 - Marijuana industry & consumers

Task Force Working Groups

- Working Groups
 - 1. Regulatory Framework
 - 2. Local Authority and Control
 - 3. Tax, Funding, and Civil Law
 - 4. Consumer Safety and Social Issues
 - 5. Criminal Law

Published 165-page Task Force Report on the
Implementation of Amendment 64

Colorado Legislature

- Bills currently under consideration:
- 1) House Bill 1317
 - Operation & structure of mj operations
- 2) House Bill 1318
 - Proposed tax structure
 - Implementation of a tax requires voter approval this November
- 3) Senate Bill 283
 - Motor vehicle open container prohibition, several other provisions

House Bill 1317

- Only MMJ licensees can apply for a MJ license first 9 months of licensing
- Vertical integration of cultivation and sales during the first 9 months – thereafter cultivation & sales can become two different industries
- Only Colorado residents (2 yr. minimum) could own a MJ retail business
- Sale to out-of-state residents limited to $\frac{1}{4}$ ounce in a single transaction
- MJ products sold cannot contain nicotine or alcohol
- MJ stores cannot sell food or drink products unrelated to MJ

House Bill 1318

- 15% excise tax on the sale or transfer of MJ from a cultivation facility to a MJ store, manufacturing facility or another MJ cultivation facility
 - First 40 million – public school capital construction assistance fund
- 10% sales tax on retail MJ
 - 15% of the sales tax transferred to local jurisdictions
- Both taxes must be approved by Colorado voters
- Election – November 2013

Local Jurisdiction Options

- 1) Ban
or
- 2) Regulate
Marijuana (MJ) retail stores, MJ cultivation facilities, MJ product manufacturers & MJ testing facilities

Option 1 - Ban

- Vote by the Board of County Commissioners
or
- Vote by citizens – November, 2014

Option 2 - Regulate

- Local govt. can regulate the time, place, manner and number of marijuana businesses
- Can also require a local license

Worth Repeating

- Actions by the Board of County Commissioners on MJ only apply to properties in unincorporated Larimer County
- Cities & towns will make their own decisions
- Local govt. regulations will not affect Amendment 64 provisions for personal growing & use of MJ