





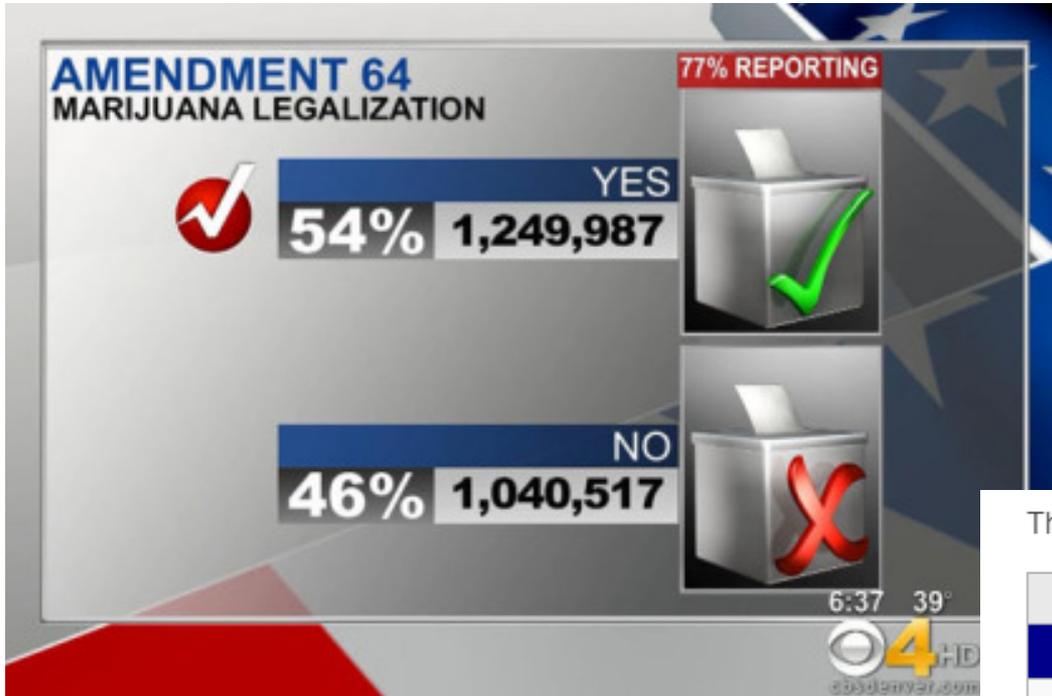
# A very, very brief history lesson.

2000 2010

2012 2014

When it comes to adult-use,  
Colorado was first!

# Colorado Voters spoke in 2012



The following are **official** election results:

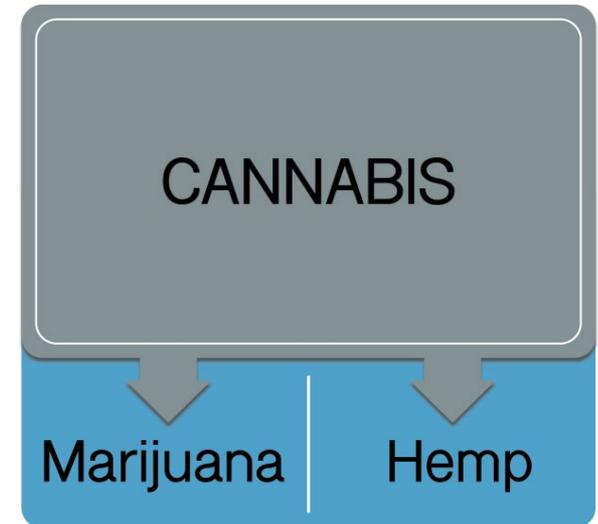
Colorado Amendment 64		
Result	Votes	Percentage
✓ Yes	1,383,139	55.32%
No	1,116,894	44.68%

Results via [Colorado Secretary of State](#).

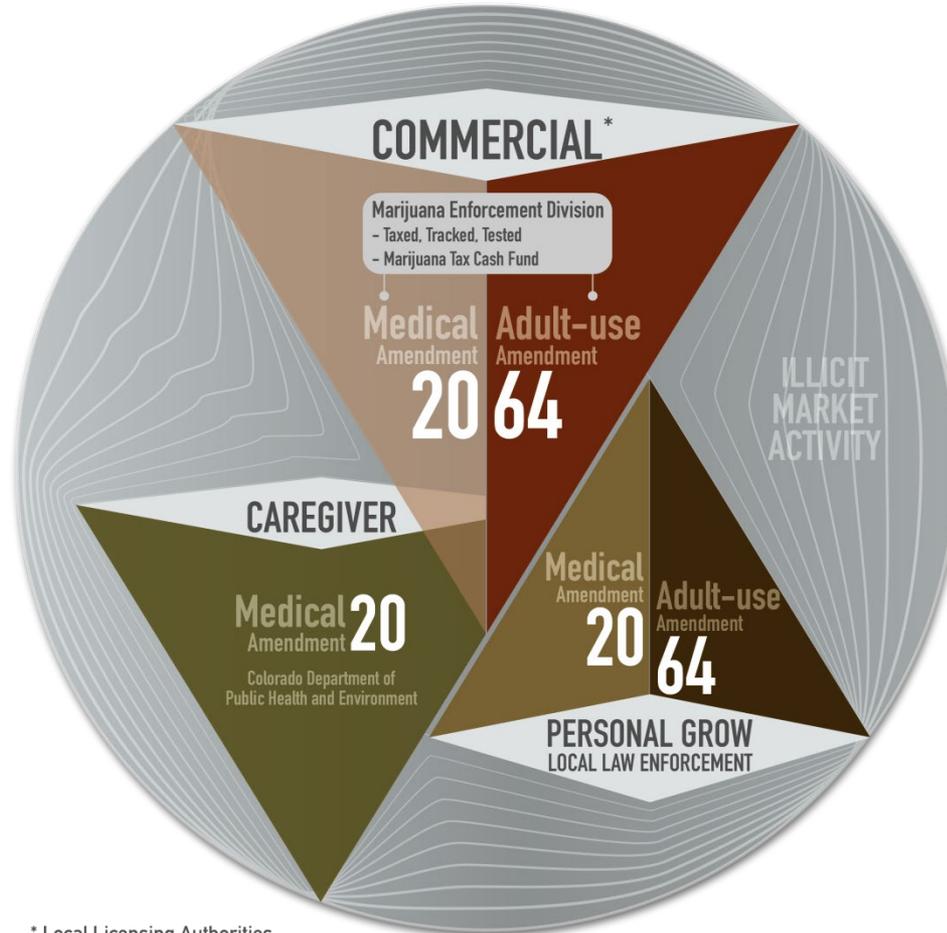
Source: <https://denver.cbslocal.com/2012/11/06/no-on-64-concedes-colorado-votes-in-favor-of-pot-legalization/>

# Why is it so complicated?

- Illegal substance under Federal law
  - Cole memo priorities remain relevant
- Limited federal oversight
  - FDA, EPA, NHTSA, etc.
- Innovative, dynamic industry
- Lack of historical science and research
  - Federal role diminished
- Dual licenses required, both state and local
- Industrial hemp cultivations are regulated by the Colorado Department of Agriculture.
- CBD derived from industrial hemp used in food and beverage products are regulated by the Colorado Department of Public Health and Environment



# Marijuana Landscape in Colorado

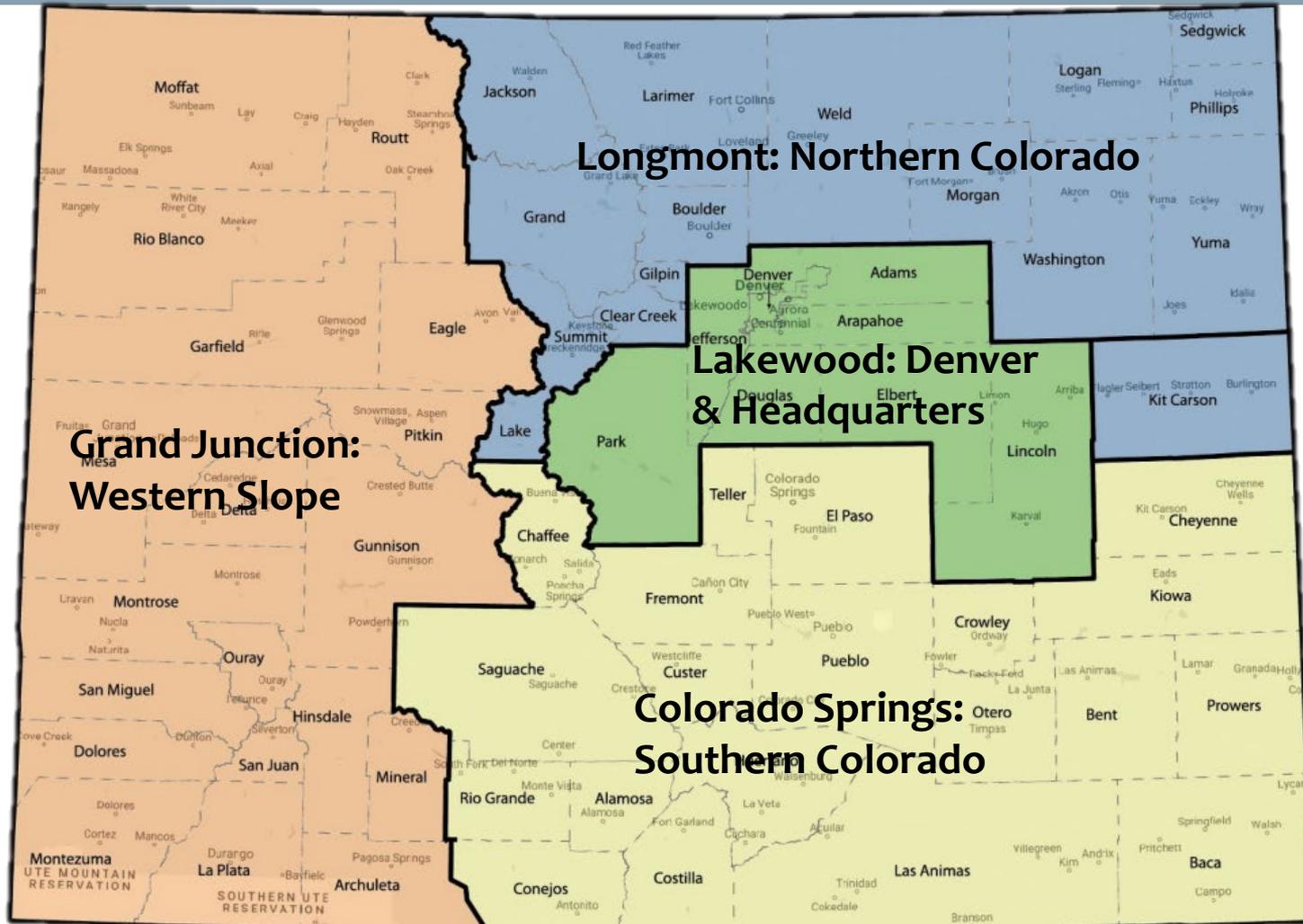


\* Local Licensing Authorities

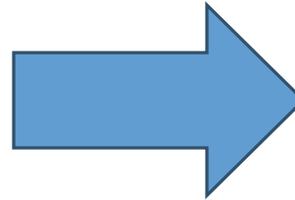
# Who we are.



# Where we are.



# What we do.



**TRACKED,  
TAXED, TESTED**

# People

Occupational License Type	Number of Licenses (as of 12/2/19)
Owners	1,633
Employees*	39,909
<b>TOTAL:</b>	<b>41,542</b>



# Places

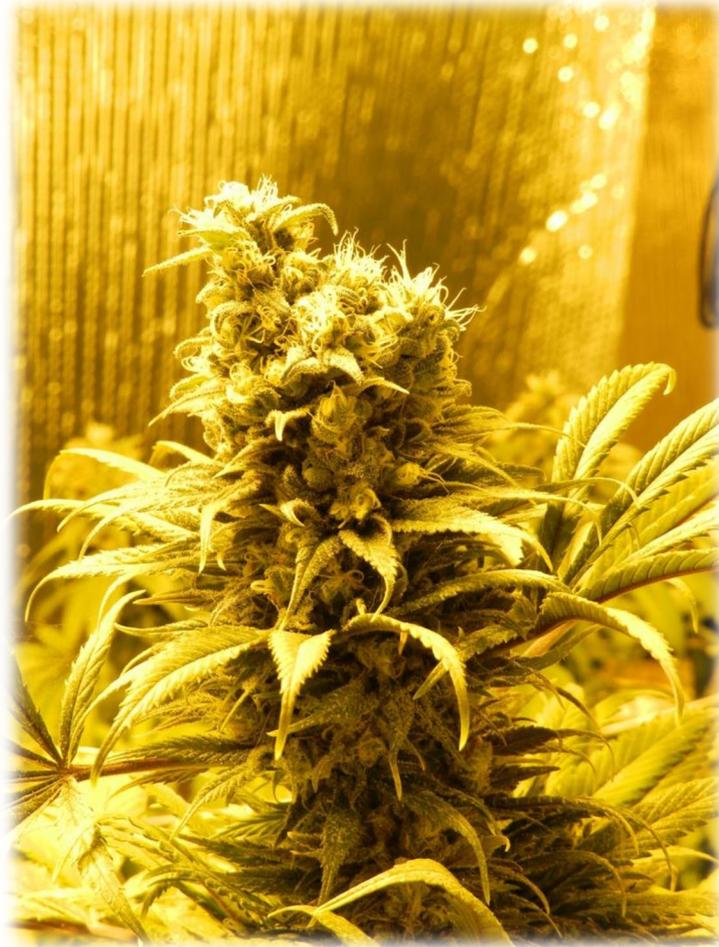


# Number of Licenses

As of January 2, 2020, there are **2,722** licenses approved across the state.

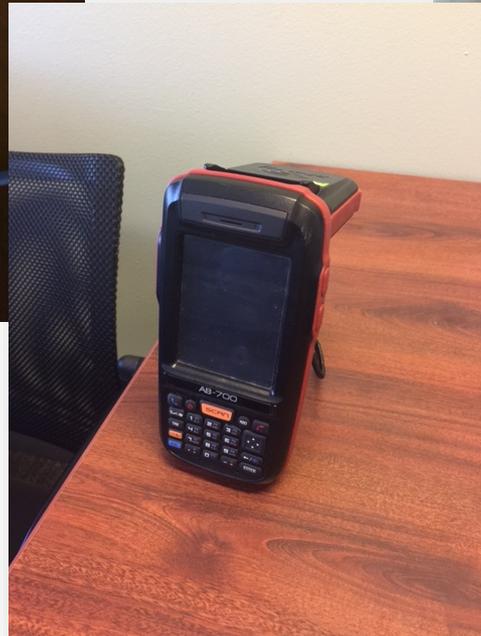
License Types	Medical Licenses	Retail Licenses
Stores	438	572
Cultivations	465	682
Infused Product Manufacturers	220	285
Testing Facilities	12	14
Operators	7	9
Transporters	7	10
R&D Cultivation	1	n/a
<b>Totals</b>	<b>1,150</b>	<b>1,572</b>

# Plants



[Colorado.Gov/Revenue](https://Colorado.Gov/Revenue)

# TRACKED, Taxed and Tested



# Products



Source: TGS

# Packaging and Labeling Requirements

- Child-resistant packaging is critical
- Putting only the most critical pieces of information on a label to prevent “white noise” effect. For example
  - Warning statements
  - Potency statement
  - Harvest/production batch numbers
  - Universal Symbol



# Tracked, Taxed and TESTED

## Marijuana testing: including plants and products:

- Potency
- Homogeneity
- Pesticides
- Contaminants
  - Residual Solvents
  - Microbial

### Of note:

- All marijuana testing labs must be ISO-accredited as of 1/1/19.
- Labs may elect to go through process validation
- MED aligns with Federal guidelines whenever possible



Image Source: [https://www.rm3.us/assets/news-ncia-policy-council-testing-policy-report\\_final.pdf](https://www.rm3.us/assets/news-ncia-policy-council-testing-policy-report_final.pdf)

# Additional Public Safety Priorities

- Advertising
- Enforcement / underage compliance checks
- Edibles legislation
- Production management/limits
- Waste removal
- Restrictions on purchase amounts (looping)
- Restrictions on hours of operation
- Consumption prohibited on any licensed premises
- 24 hour video surveillance requirements

**PROHIBITED  
EDIBLE SHAPES**



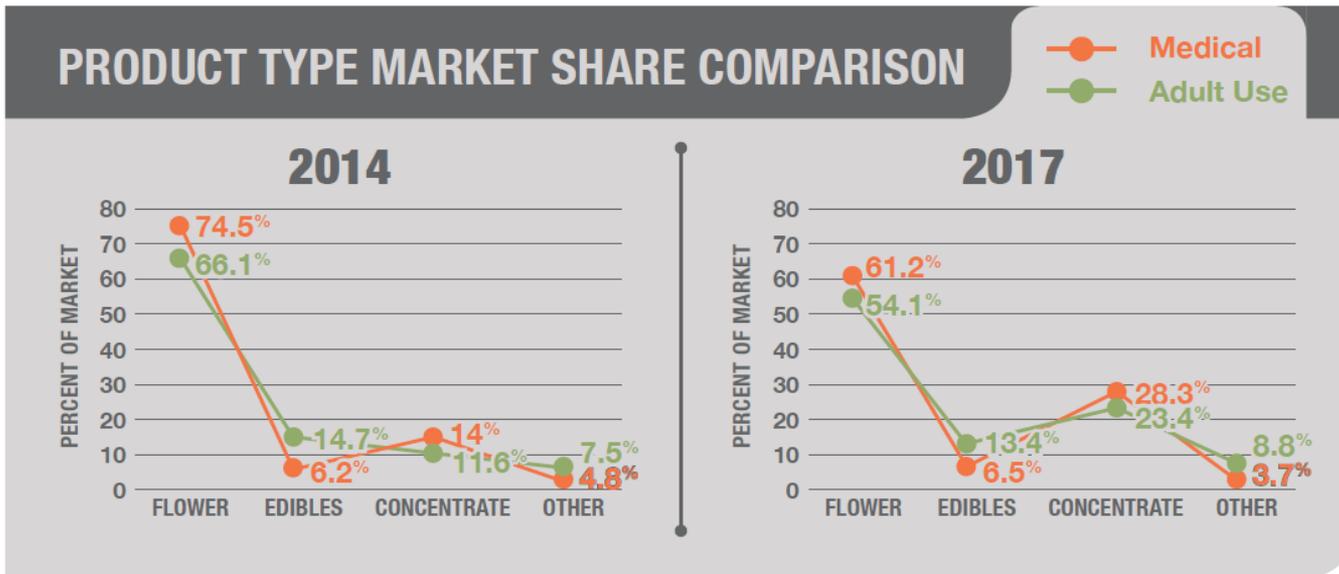
# Data Collection & Production Management



**TOP 10 OPERATORS**

**23.1%**  
OF TOTAL MARKET

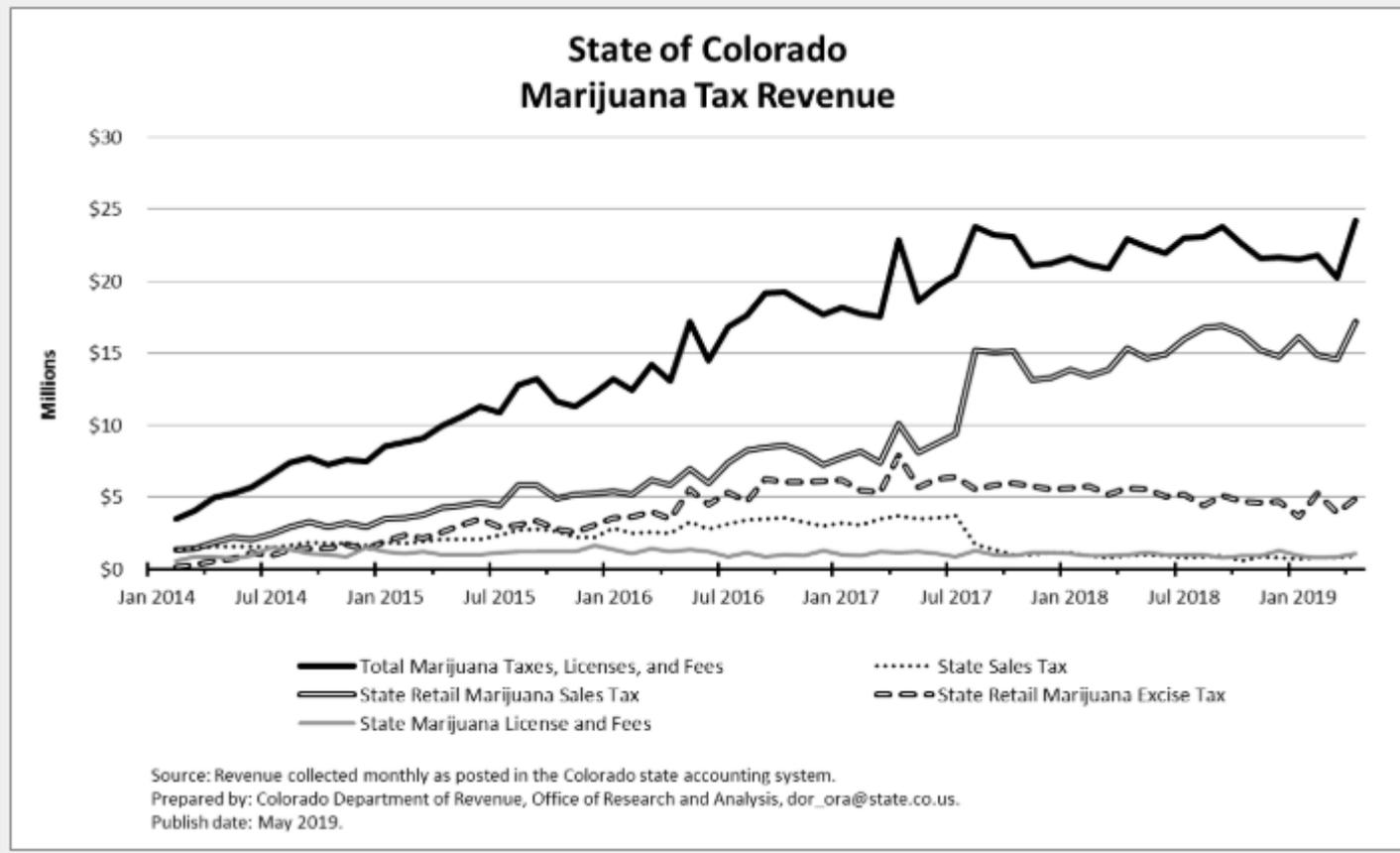
**HIGHLY COMPETITIVE MARKET**



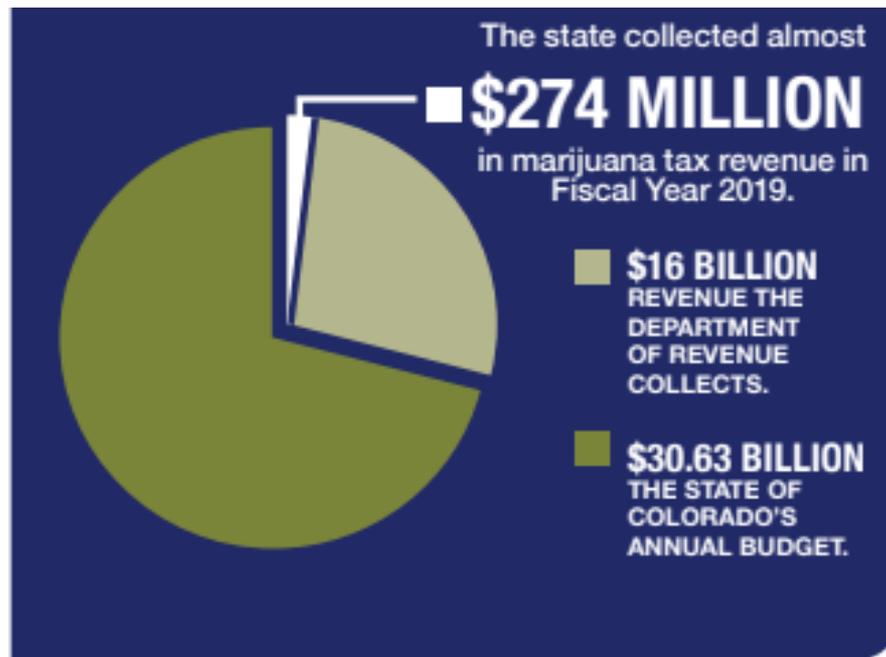
# Sales, Revenue and Taxes



# Tracked, TAXED and Tested

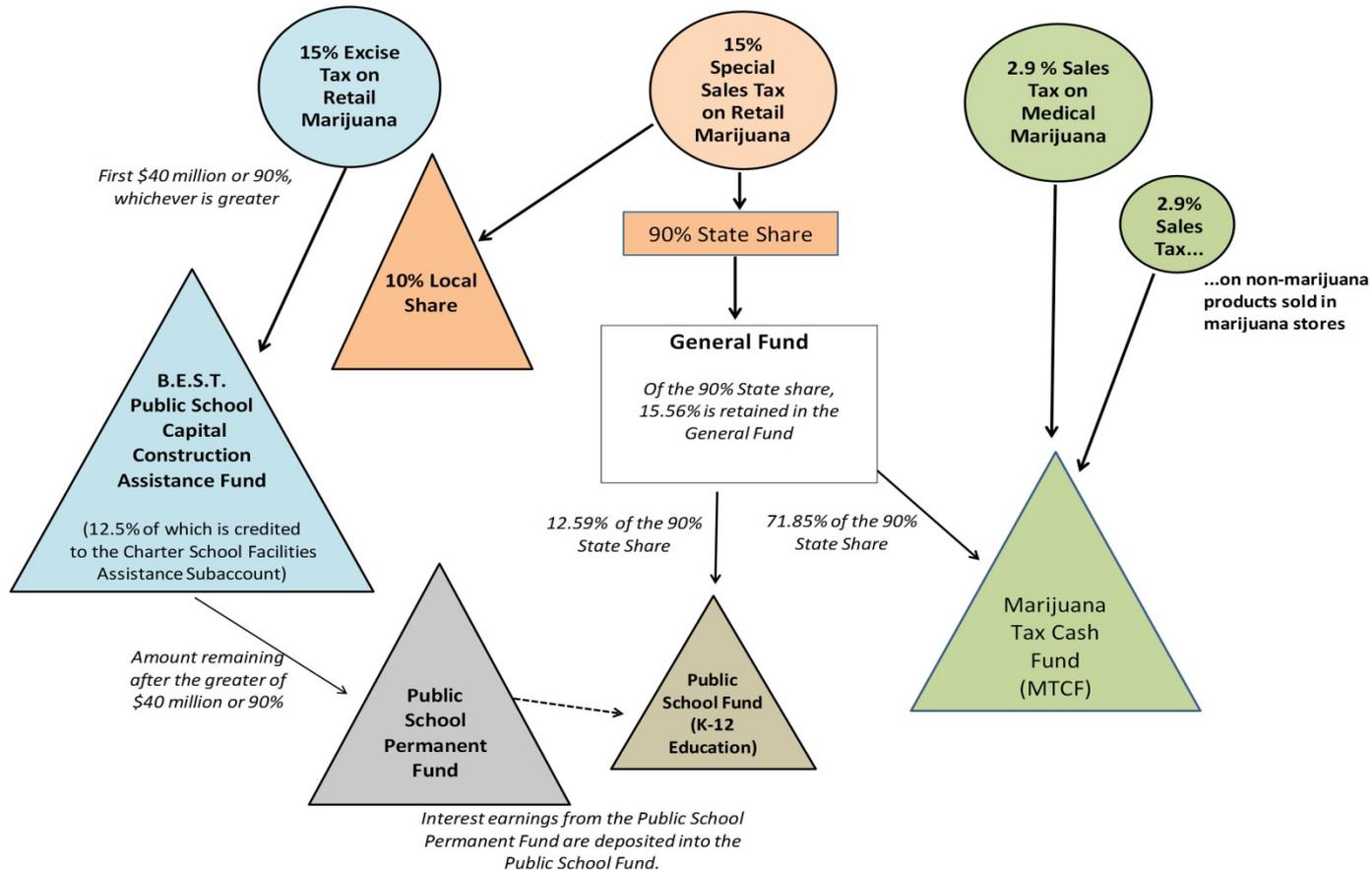


# Marijuana Sales and Tax Revenue

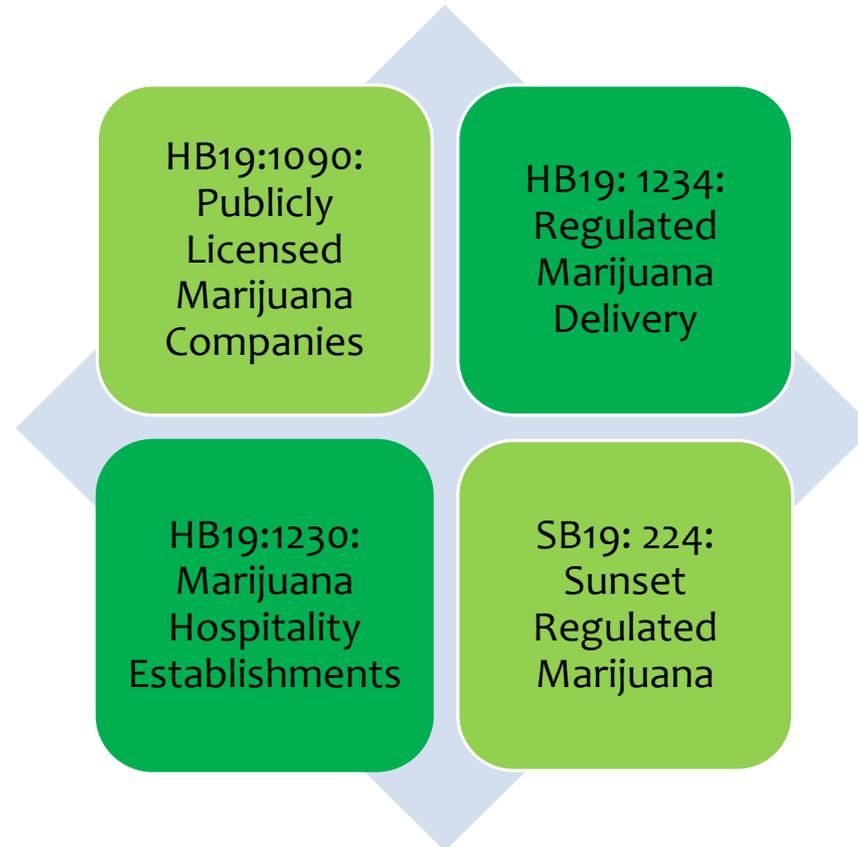


# Marijuana Tax Structure

Distribution of Marijuana Tax and Fee Revenue for FY 2018-19



# Landmark 2019 Legislation



# For more information...

- MED mid-year and annual updates:  
[www.colorado.gov/pacific/enforcement/med-updates](http://www.colorado.gov/pacific/enforcement/med-updates)
- Department of Revenue's 2018 annual report:  
[www.colorado.gov/pacific/revenue/annual-report](http://www.colorado.gov/pacific/revenue/annual-report)
- 2017 Market and Demand Study:  
[www.colorado.gov/pacific/enforcement/marijuana-related-reports-studies](http://www.colorado.gov/pacific/enforcement/marijuana-related-reports-studies)
- Marijuana monthly sales reports:  
[www.colorado.gov/pacific/revenue/colorado-marijuana-sales-reports](http://www.colorado.gov/pacific/revenue/colorado-marijuana-sales-reports)
- Marijuana monthly tax revenue reports:  
[www.colorado.gov/pacific/revenue/colorado-marijuana-tax-data](http://www.colorado.gov/pacific/revenue/colorado-marijuana-tax-data)
- MED's Use of METRC Performance Evaluation:  
[http://leg.colorado.gov/sites/default/files/documents/audits/1925p\\_evaluation\\_of\\_dors\\_use\\_of\\_marijuana\\_inventory\\_tracking\\_data\\_august\\_2019.pdf](http://leg.colorado.gov/sites/default/files/documents/audits/1925p_evaluation_of_dors_use_of_marijuana_inventory_tracking_data_august_2019.pdf)

# Thank you

