



COLORADO
Department of Local Affairs
Division of Local Government

Gray and Black Market Marijuana Enforcement Grant Colorado Revised Statute 24-32-119(4)

SMART ACT REPORT

December 2022



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Gray and Black Market Marijuana Enforcement Grant Program

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Section 24-32-119 (4), of the Colorado Revised Statute (C.R.S) requires the Department of Local Affairs, Division of Local Government, provide an update regarding the effectiveness of the Gray & Black Market Marijuana Enforcement Grant program in the Department’s annual report as required by the “State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act” part 2 of article 7 of title 2. This document serves as a response to this reporting requirement.

Program History and Status

In Colorado’s 2017 legislative session, House Bill 17-1221 created the Gray & Black Market Marijuana Enforcement grant program (GBMJ) in Colorado Revised Statute (C.R.S.) 24-32-119. The program gives grants to Colorado counties and municipalities with the purpose of providing financial assistance to local law enforcement and district attorneys for actual expenses related to investigation and prosecution of unlicensed marijuana cultivation or distribution operations.

The appropriation for FY 21/22 remained at \$950,674. Of this amount, \$903,140 was available for grant purposes, and the awarded amount is \$903,140. The grant period will end on May 30, 2023. Program outcomes in Table 1 are through the third quarter.

Finally, for FY 22/23 the amount available for grant purposes was \$650,000 and was awarded to 31 applicants. This grant period will close May 31, 2024. Over the course of six fiscal years from FY 18 to FY 23, the program has provided over \$19.6M to 108 municipalities and counties for illicit marijuana enforcement activities.

Program Effectiveness

The Statute requires that the SMART Act report discuss the effectiveness of the program. Consequently, the program staff has included in the final reporting requirements that all GBMJ grantees provide detail around the effectiveness of the program from their perspective as a recipient of these grant dollars.

With the legalization of some types of possession and use of marijuana, many believed that the black market would cease to exist or at least be dramatically reduced. However, grantees report that the marijuana black market has continued to thrive and local law enforcement is spending thousands of hours investigating and prosecuting activity related to the marijuana black market operations. The program grant funds help subsidize the costs associated with investigations and prosecution expenses.

With the help of GBMJ grant funds to meet the demand of controlling this ongoing illicit marijuana activity of cultivation and distribution operations, recipient cities and counties report they have been able to increase law enforcement activities in addressing these illegal operations, perform multi-county operations, safely conduct covert surveillance, increase the execution of search warrants, seize tens of thousands of marijuana plants, seize several thousands of pounds of refined marijuana, and shut down hundreds of illegal grows. The funds have made it possible to better outfit detectives and officers with much-needed equipment thereby reducing the hazards of illegal marijuana grow enforcement and dangerous criminal activities.



Prior to this grant program, the manpower, equipment and specialized training needed by local law enforcement, as well as additional staff hours required for prosecution by district attorneys' offices were cost-prohibitive. However, the resources provided through the GBMJ grant program have made it possible to proactively investigate illicit marijuana activities as well as support collaboration between law enforcement and district attorneys for prosecution of such activity. Rural communities' report that without the grant funding they would not have been able to put the man-hours needed into illegal marijuana enforcement.

The effectiveness of this program, as reinforced by recipient local governments, is evident in the assistance it has afforded law enforcement in protecting their communities, in facilitating the construction of new investigative frameworks, and in ensuring the future probative value of cases currently being built. This is critical to both successful prosecution and aggressively creating a culture that communicates that this type of illegal activity will not be tolerated. The grant increased operational effectiveness as a result of the additional funding for overtime support, special training, and equipment. Without the assistance of the program, grantees would not be able to sustain the effort of increased investigation and prosecution of unlicensed and illegal marijuana activities.

The items below are indicative of the types of expenses associated with investigating and prosecuting unlicensed marijuana cultivation or distribution operations conducted in violation of state law.

Investigation:

- PPE supplies and equipment, including filtered breathing apparatus which protects from dangerous mold spores and toxins while dismantling illegal marijuana grow sites. Other equipment purchased that helps support the safety of law enforcement officers are drones, cameras, tactical equipment, safety suits, and N95 masks.
- Personnel salaries, including overtime costs that support increased patrol and enforcement, GBMJ funds help to defray costs of personnel dedicated to the detection, surveillance, contact, reporting, and court time regarding illegal marijuana.
- Computers, IT equipment, digital intelligence supporting law enforcement in the field to access actionable intelligence at the scene.
- Training and education for law enforcement regarding drug cartels and culture, investigation, and testifying in court.
- Vehicles, trucks for on and off-road that can travel through bad weather in remote areas, ATVs, equipment trailers, drug incinerators to burn/destroy marijuana that is collected at illegal grow sites. Armored vehicles are utilized in defense against heavily armed individuals and hardened grow sites.

Prosecution:

- Financial assistance for district attorneys addressing and prosecuting unlicensed marijuana in violation of state law.
- Investigation and curtailment of underage possession and consumption.



Table 1 - Program Outcomes 2020-2021 Reported by Grantees

The numbers are not final. The Grant term does not end until May 30, 2023

MJ Cases/Seizures	MJ Pounds Seized	MJ Grows/Sites/Labs Dismantled	MJ Plants Seized	Number of Disruptions of Sale or Distribution of Illicit Activity	Arrests	Weapons Seized
1,082	20,257	94	21,375	127	107	21



Table 2 - Gray and Black Market Marijuana Enforcement Grant Program Awards

FY 2021			FY 2022	
Grantee	Amount Awarded	Funds Returned	Grantee	Amount Awarded
Adams County	\$ 24,481.00		Adams County	\$ 53,611.44
Arapahoe County	\$ 23,873.00		Arapahoe County	\$ 52,280.12
Aurora, City of	\$ 92,601.00	\$ 5,072.99	Aurora, City of	\$ 73,010.80
Canon City, City of	\$ 8,167.00	\$ 8,167.00	Boulder County	\$ 23,175.07
Colorado Springs, City of	\$ 116,755.00		Colorado Springs, City of	\$ 44,805.16
Custer County	\$ 1,842.00		Costilla County	\$ 3,018.72
Delta , City of	\$ 4,392.00		Custer County	\$ 4,034.59
Delta County	\$ 6,753.00		Delta County	\$ 14,788.85
Denver, City and County	\$ 177,544.00	\$ 53,740.89	Delta, City of	\$ 9,618.63
Douglas County	\$ 48,676.00		Denver, City and County of	\$ 44,805.16
Durango, City of	\$ 9,264.00		Douglas County	\$ 44,805.16
El Paso County	\$ 47,196.00		Durango, City of	\$ 20,288.42
Elbert County	\$ 11,603.00	\$ 6,070.02	El Paso County	\$ 44,805.16
Florence City of	\$ 1,926.00		Elbert County	\$ 25,409.44
Fort Collins, City of	\$ 41,564.00	\$ 126.77	Flornece, City of	\$ 4,217.44
Fremont County	\$ 12,366.00		Fort Collins, City of	\$ 44,805.16
Greeley, City of	\$ 26,526.00		Fremont County	\$ 27,081.87
La Animas County	\$ 2,690.00		Grand County	\$ 8,999.49
La Plata County	\$ 16,431.00		Grand Junction, City of	\$ 34,003.12
Mead, Town of	\$ 2,310.00		Greeley, City of	\$ 58,090.87
Mesa County	\$ 35,734.00		Hotchkiss, Town of	\$ 2,500.00
Montezuma County	\$ 7,355.00	\$ 48.78	La Plata County	\$ 35,984.05
Montrose County	\$ 9,713.00		Lakeside, Town of	\$ 2,500.00
Montrose, City of	\$ 9,659.00		Las Animas County	\$ 5,892.01
Pueblo, City of	\$ 27,432.00		Mesa County	\$ 78,256.84
Teller County	\$ 7,710.00	\$ 3,693.23	Montezuma County	\$ 16,106.26
Vail, Town of	\$ 2,653.00		Montrose County	\$ 21,272.20
			Montrose, City of	\$ 21,153.50
			Park County	\$ 18,975.28
			Prowers County	\$ 2,964.19
			Pueblo County	\$ 59,381.00
			Winter Park, Town of	\$ 2,500.00
Total Awarded	\$ 777,216.00	\$ 76,919.68	Total Awarded	\$ 903,140.00
Percent of grant funds expended		90.10%	Grant term ends May 31, 2023	