

Marijuana Grows in Residential Properties

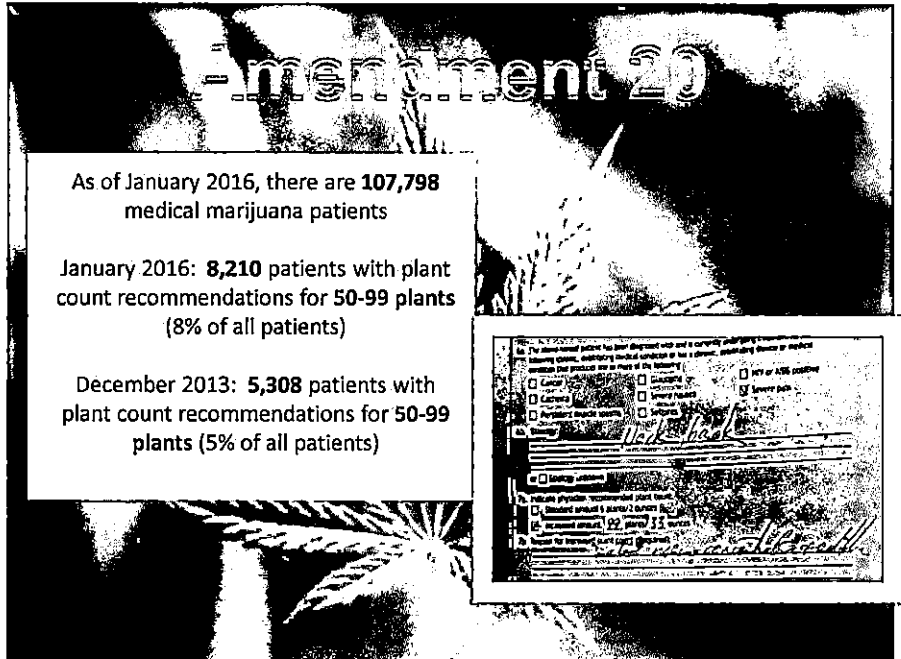
<p>Adam Hughes Detective Colorado Springs Police Department Metro Vice Narcotics and Intelligence Division</p>	<p>Kevin Merrill Assistant Special Agent in Charge DEA Denver Field Division</p>
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Amendment 20

Mandates patients are Colorado residents

**Allows patients to grow up to six plants,
with exceptions (physician recommendations)**

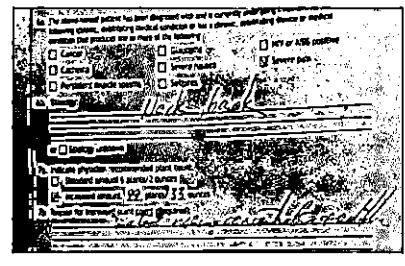


Amendment 20

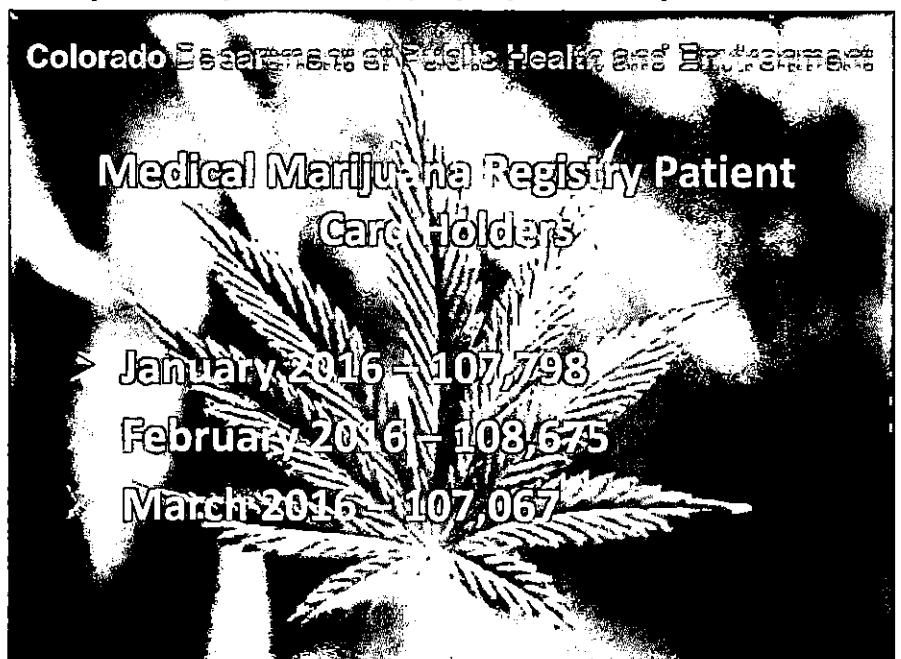
As of January 2016, there are **107,798** medical marijuana patients

January 2016: **8,210** patients with plant count recommendations for 50-99 plants (8% of all patients)

December 2013: **5,308** patients with plant count recommendations for 50-99 plants (5% of all patients)



The application form includes sections for:
- Patient Information
- Medical History (with checkboxes for conditions like Cancer, HIV or AIDS, etc.)
- Physician Information
- Signature of Patient and Physician
- Date and Location



Colorado Department of Public Health and Environment

Medical Marijuana Registry Patient Care Holders


> January 2016 - 107,798
February 2016 - 108,675
March 2016 - 107,067



Amendment 20

Let's do the math

**If 8,200 patients each grow 50 plants,
that's 411,000 marijuana plants.**



Amendment 20

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PeriMED, the state-licensed medical and recreational industry
regulator, has 758,000 plants in its inventory tracking system

Amendment 64

Allows residents to grow six plants per adult (21 years of age) living in a residence

Allows growers to keep all marijuana that those six plants produce within the residence

Allows residents to "assist" others in "possessing, growing, processing, or transporting" their six plants

Amendment 20

Let's do the math...

If 8,200 patients each grow 50 plants, that's 410,000 marijuana plants.


Each plant produces 100 grams of marijuana per year.

If those 8,200 patients harvest one pound per plant every 90 days, that's 820,000 pounds of marijuana per year.

That's 258,000 kilograms of marijuana per year.

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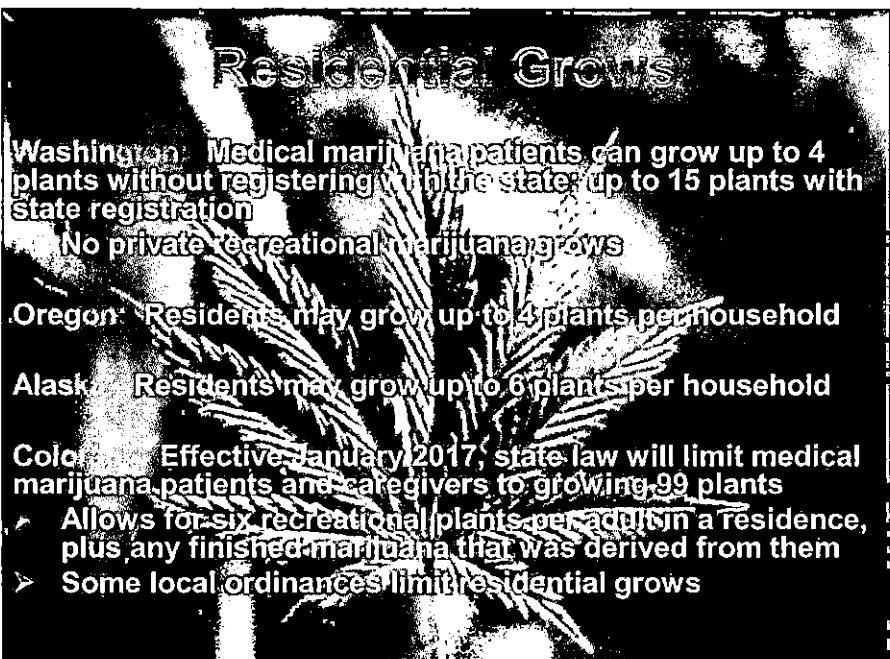


Marijuana Legalization in the US

24 states currently have legalized medical marijuana

18 of the 24 have Limited Access or CBD-only restrictions

Only Colorado, Washington, Oregon and Alaska have legalized recreational marijuana



Residential Grows

Washington: Medical marijuana patients can grow up to 4 plants without registering with the state; up to 15 plants with state registration

- No private recreational marijuana grows

Oregon: Residents may grow up to 4 plants per household

Alaska: Residents may grow up to 6 plants per household

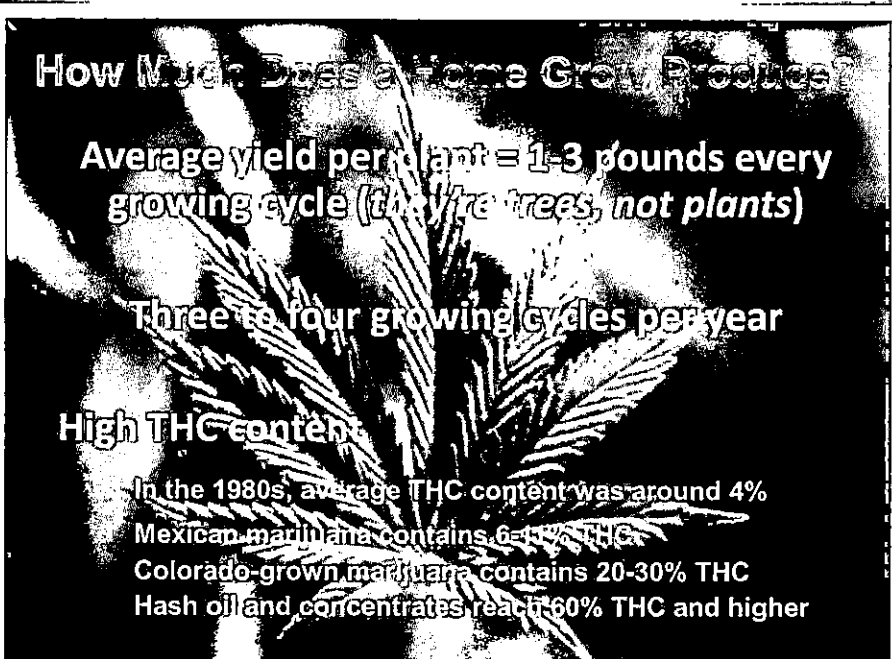
Colorado: Effective January 2017, state law will limit medical marijuana patients and caregivers to growing 99 plants

- Allows for six recreational plants per adult in a residence, plus any finished marijuana that was derived from them
- Some local ordinances limit residential grows



Residential Grows

- No regulation by MED**
- Individuals and organized groups coming here to exploit the tax environment**
- Large amounts of marijuana produced in home grows going to out-of-state markets**
- No tax revenue for the state**



How Much Does a Home Grow Produce?

- Average yield per plant = 1-3 pounds every growing cycle (they're trees, not plants)**
- Three to four growing cycles per year**
- High THC content**
 - In the 1980s, average THC content was around 4%**
 - Mexican marijuana contains 6-11% THC**
 - Colorado-grown marijuana contains 20-30% THC**
 - Hash oil and concentrates reach 60% THC and higher**

How Much Does a Home Grow Produce?

ONE plant produces approximately 8 ounces of harvest

Plants can be harvested 4 times per year

1 ounce = approximately 60 marijuana joints

8 ounces per plant x 4 = 32 ounces a year (1 plant)

12 plants = 384 ounces / 24 lbs / 23,040 joints a year

36 plants = 1,152 ounces / 72 lbs / 69,120 joints a year

99 plants = 3,168 ounces / 198 lbs / 190,080 joints a year

(Commonly seen at residences)

How Much Does a Home Grow Produce?



Marijuana Drying Racks in a Colorado Residential Grow

How Much Does a Home Grow Produce?




100 Pounds of Processed Marijuana in a Colorado Residential Grow
Derived From 60 Plants

How Much Does a Home Grow Produce?

Six people from out of state move to Colorado

All six individuals go to a doctor and get a medical recommendation to grow 99 plants

They can also grow six recreational plants apiece



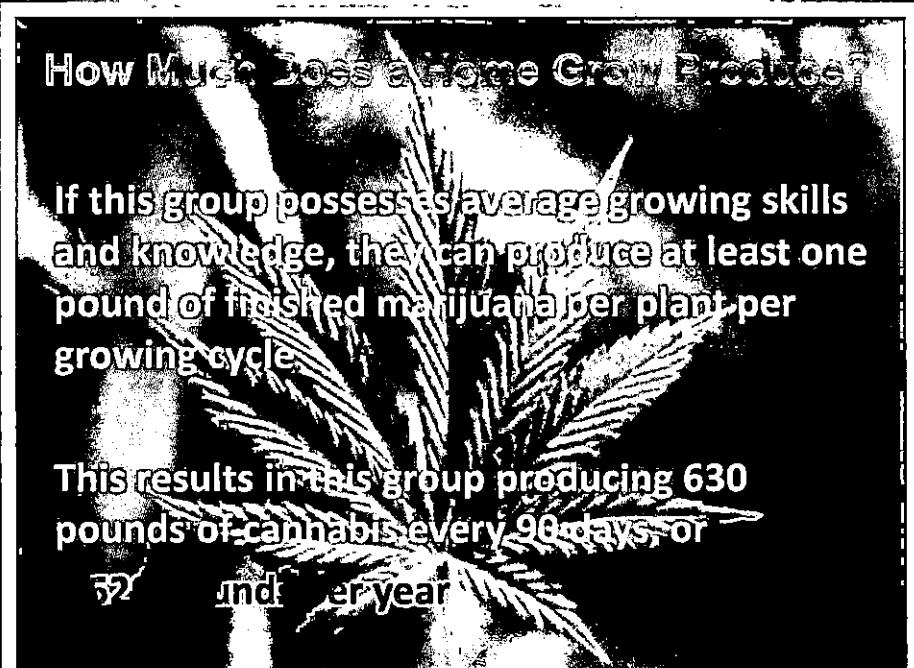
Now they can "legally" grow up to



Investment in a Home Grow

Grow equipment and set up costs for a 50-99 plant grow equal roughly **\$30,000-50,000**

Average kilowatt usage peaks at **1000-25,000** per month during certain times in the growing cycle
(a typical house is 500-800 kilowatt hours per month)



How Much Does a Home Grow Produce?

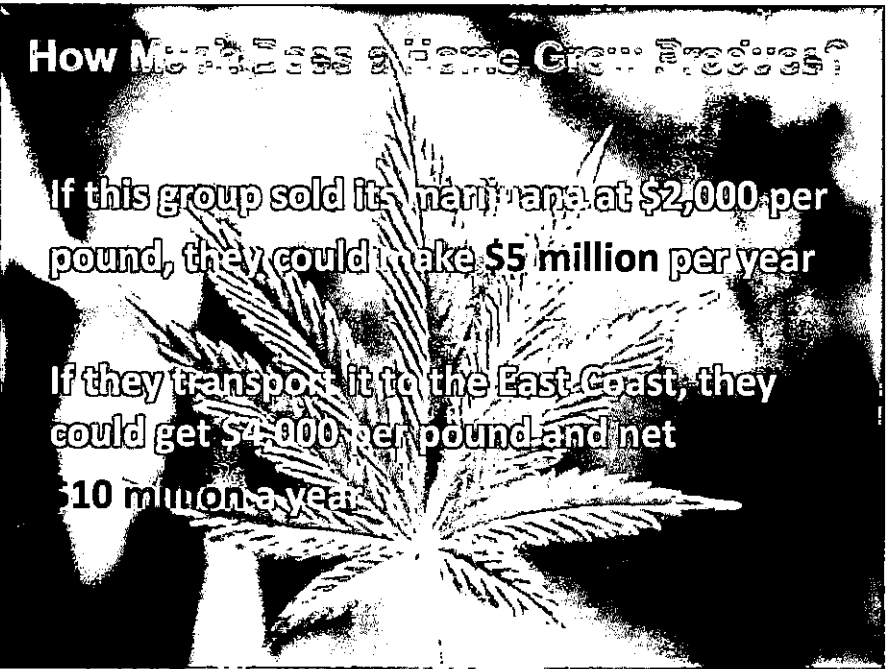
If this group possesses average growing skills and knowledge, they can produce at least one pound of finished marijuana per plant per growing cycle.

This results in this group producing 630 pounds of cannabis every 90 days, or **32** and per year.


How Much Can a Home Grew Weedier?

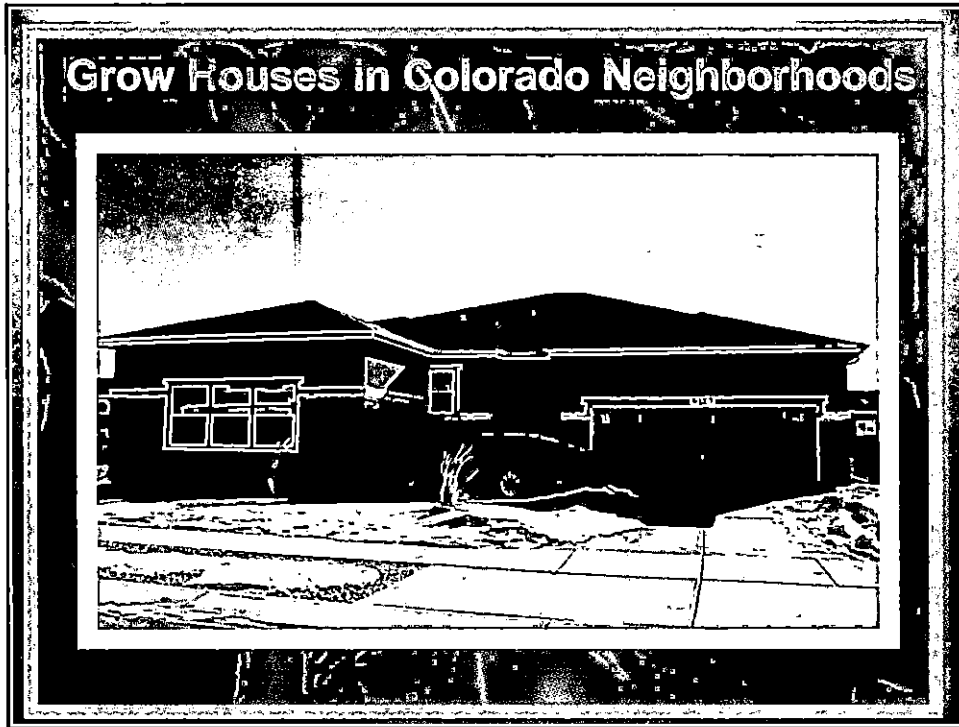
If this group sold its marijuana at \$2,000 per pound, they could make \$5 million per year

If they transport it to the East Coast, they could get \$4,000 per pound and net \$10 million a year



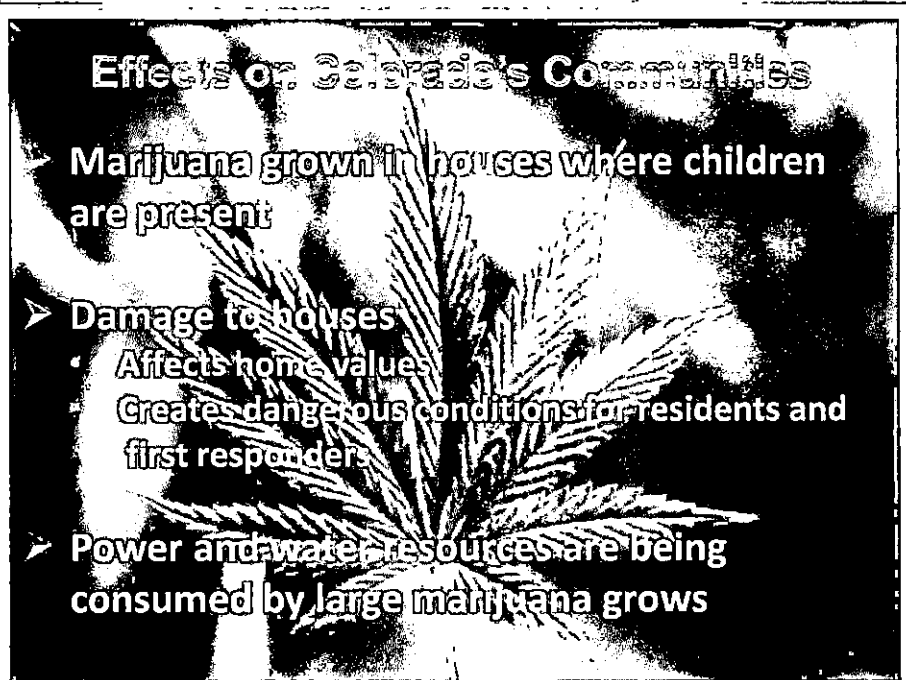
Grow Houses in Colorado Neighborhoods

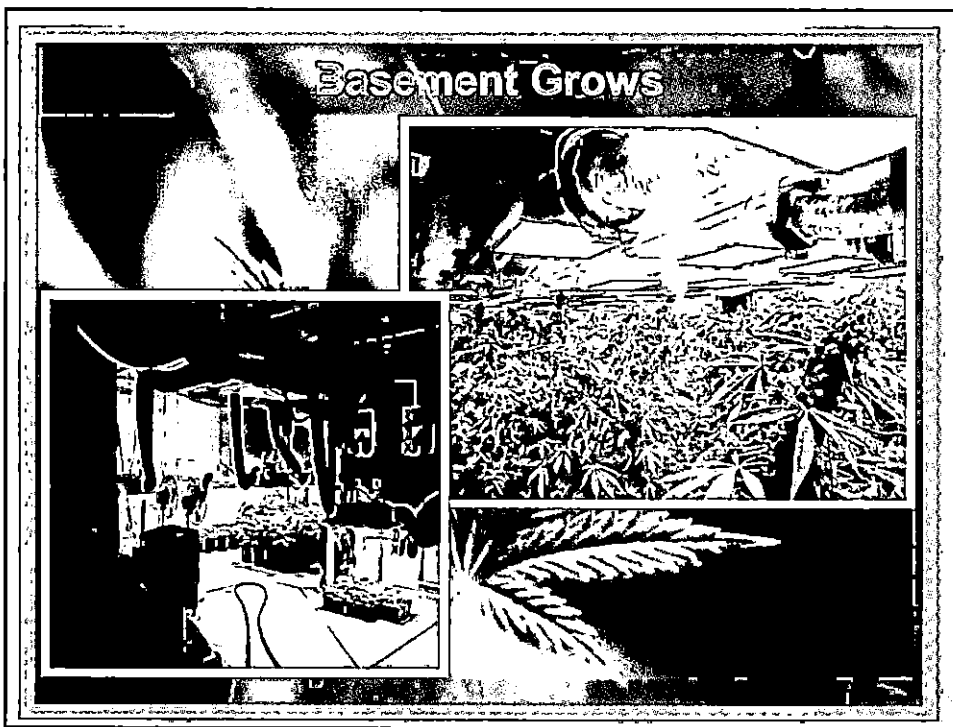
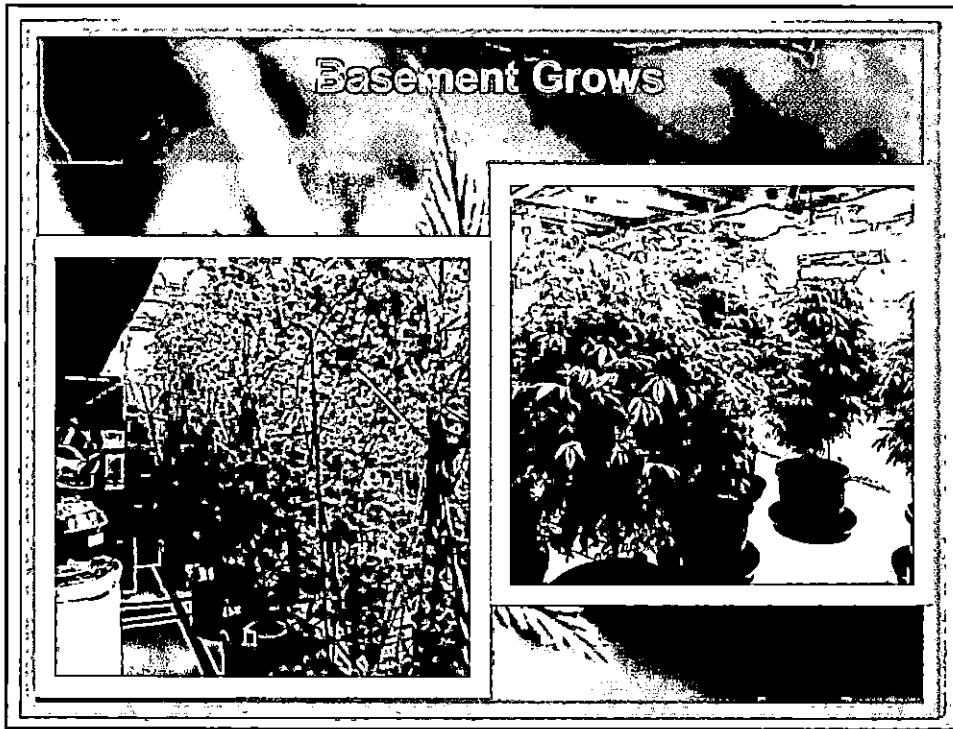


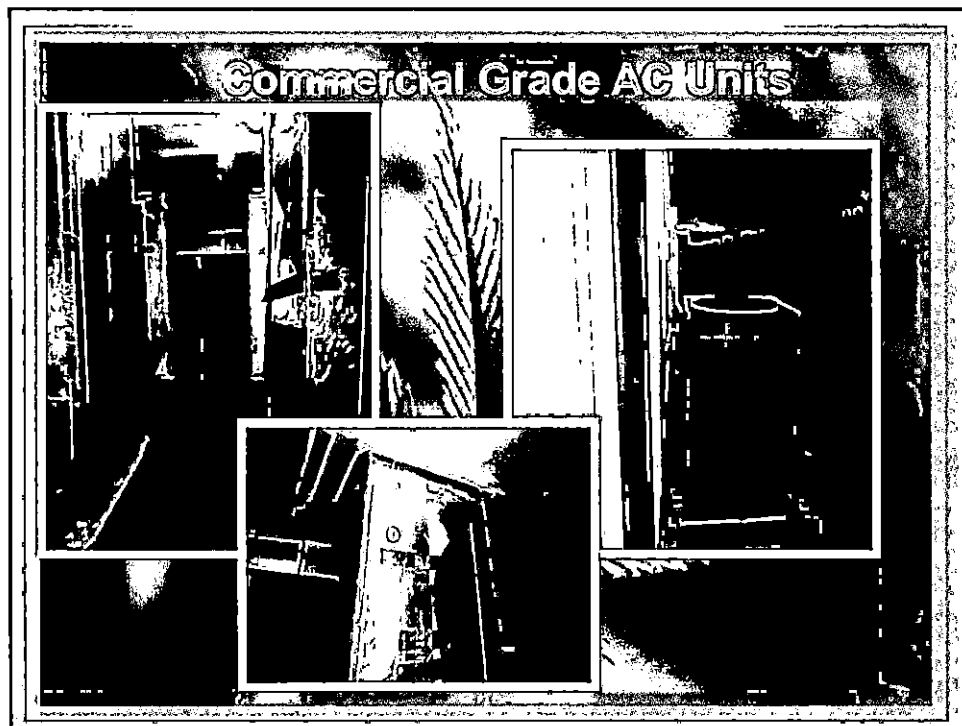


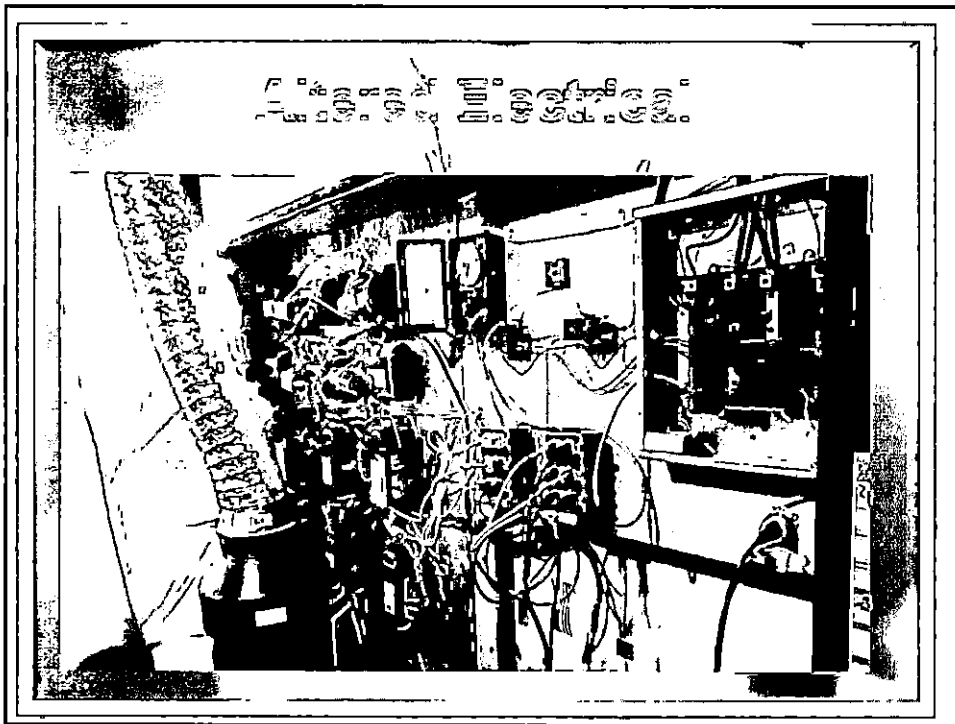
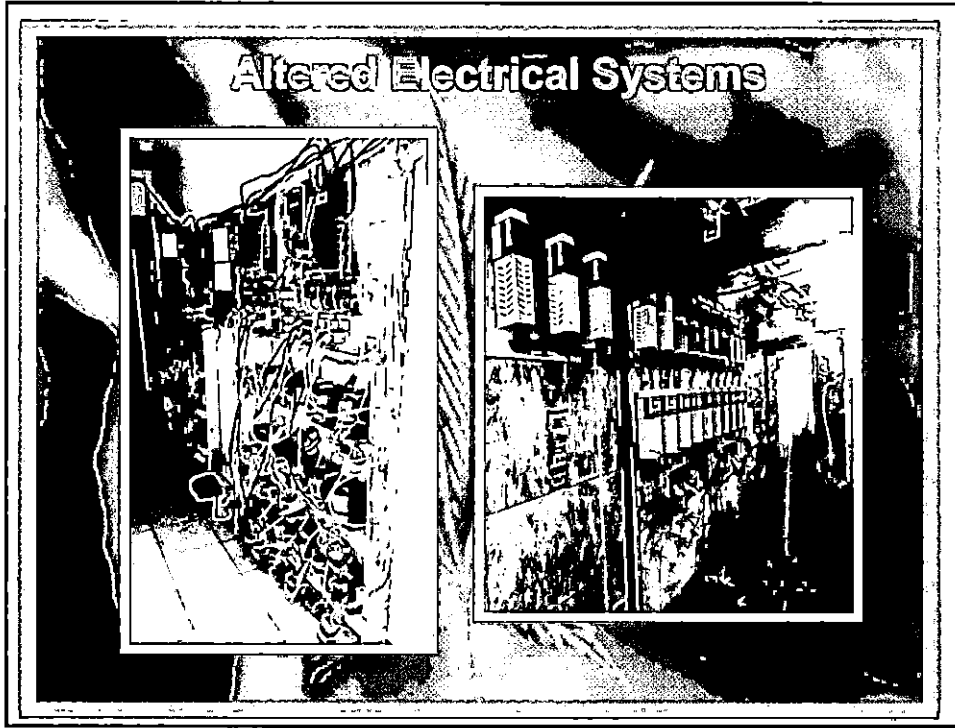
Effects on Colorado's Communities

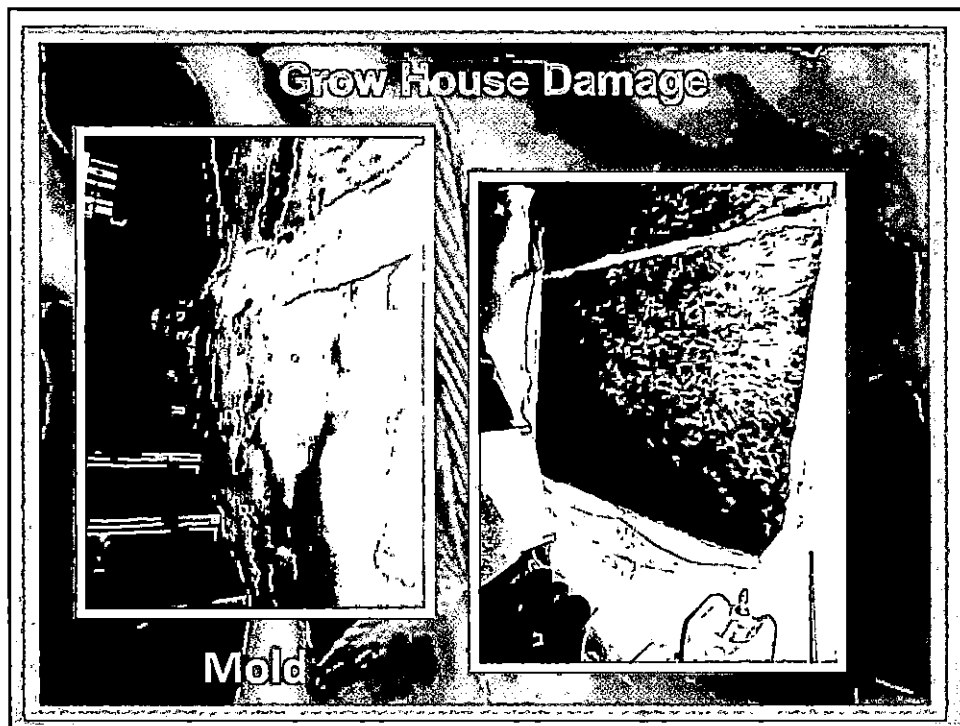
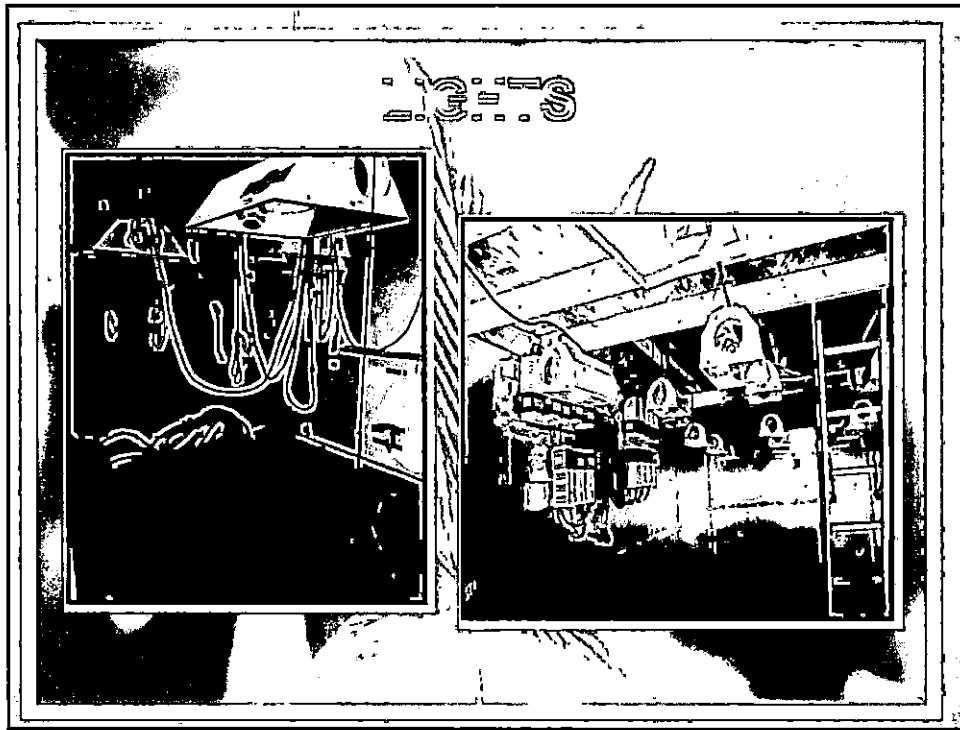
- Marijuana grown in houses where children are present
- Damage to houses
 - Affects home values
 - Creates dangerous conditions for residents and first responders
- Power and water resources are being consumed by large marijuana grows

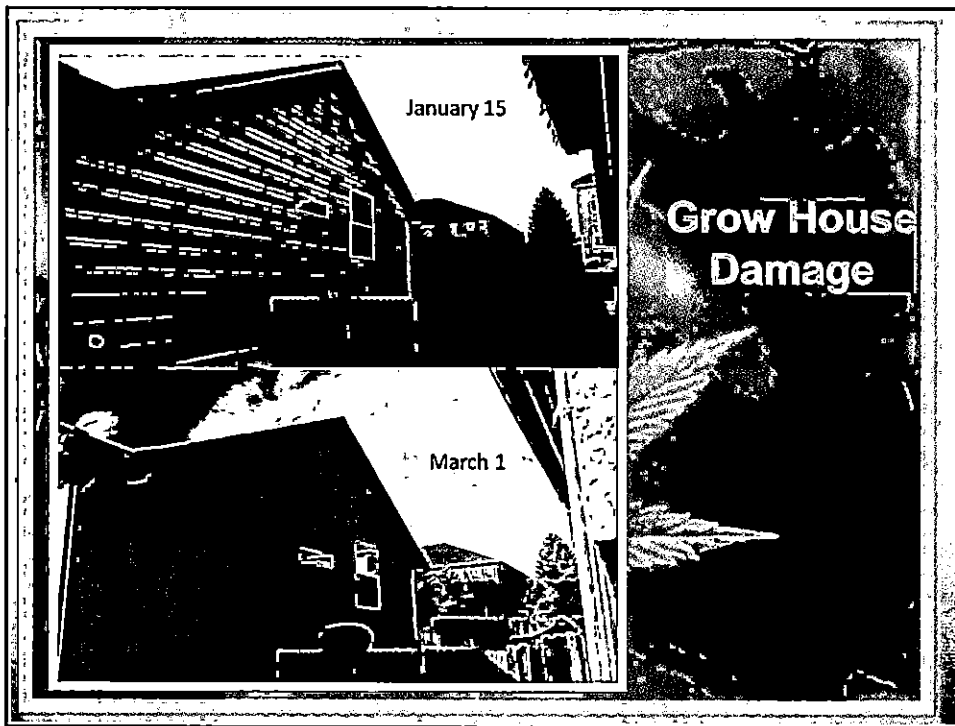
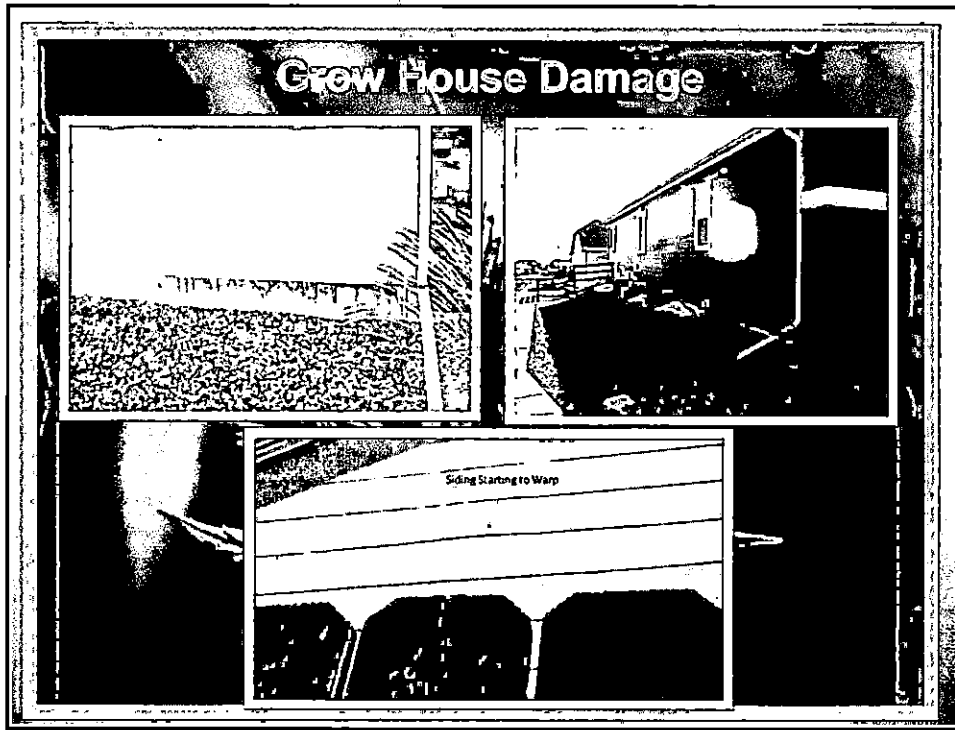
A large, detailed illustration of a marijuana plant with many leaves, positioned behind the text. The plant is shown in a stylized, almost woodcut-like manner, with its characteristic serrated leaves and central stem.

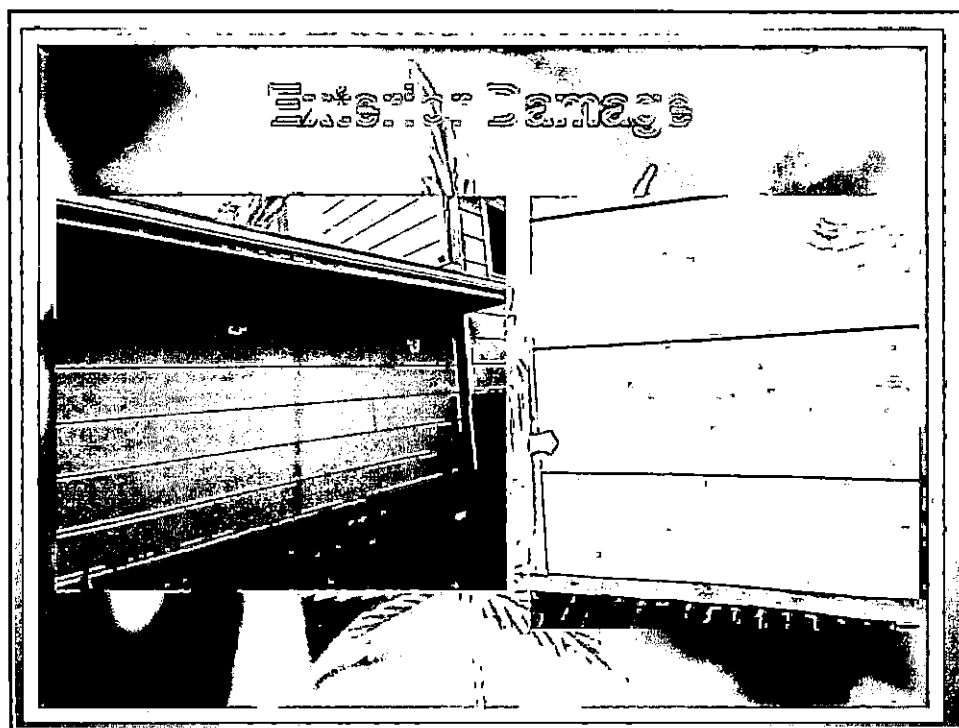
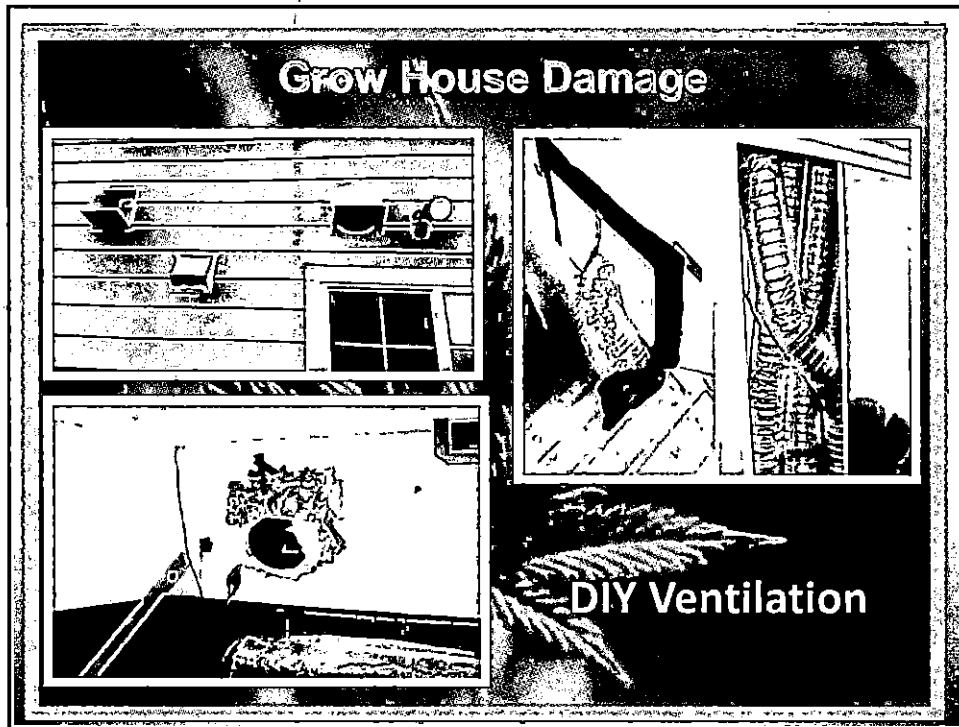


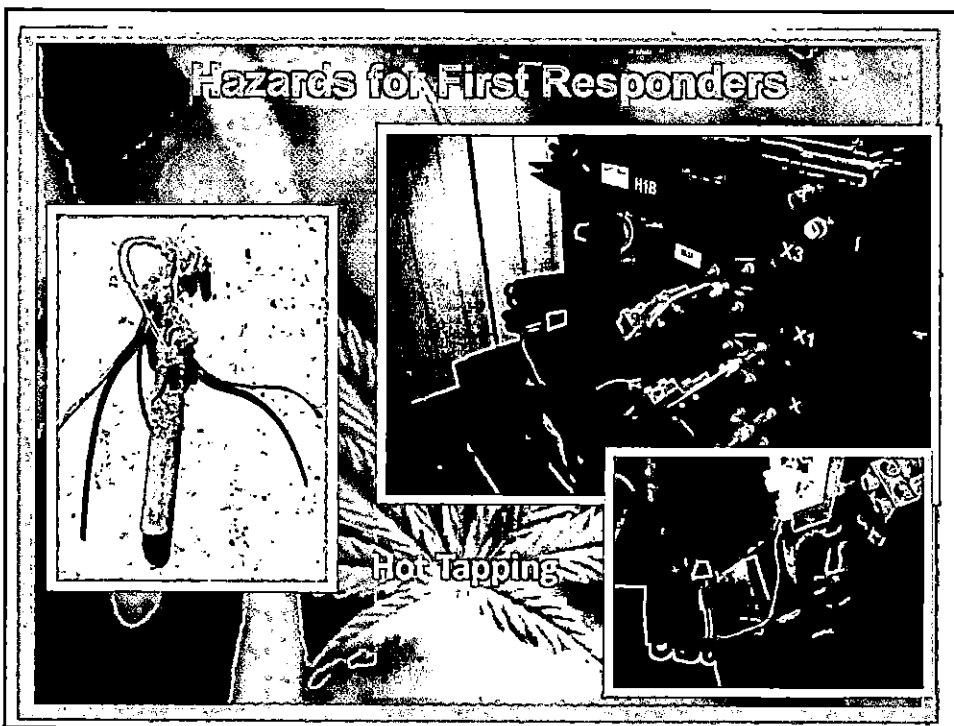
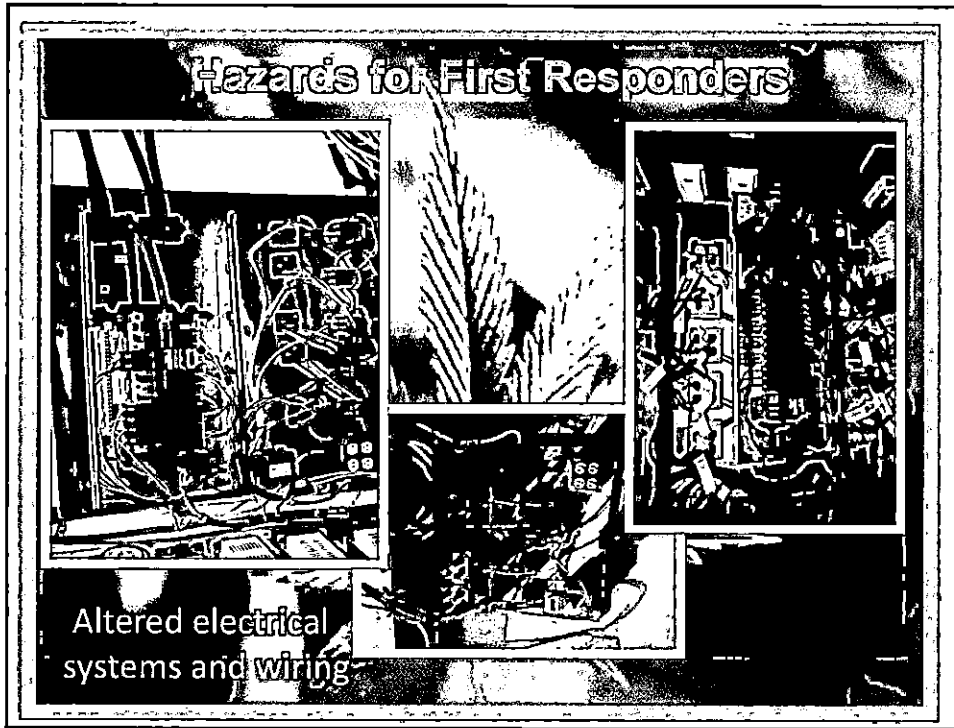


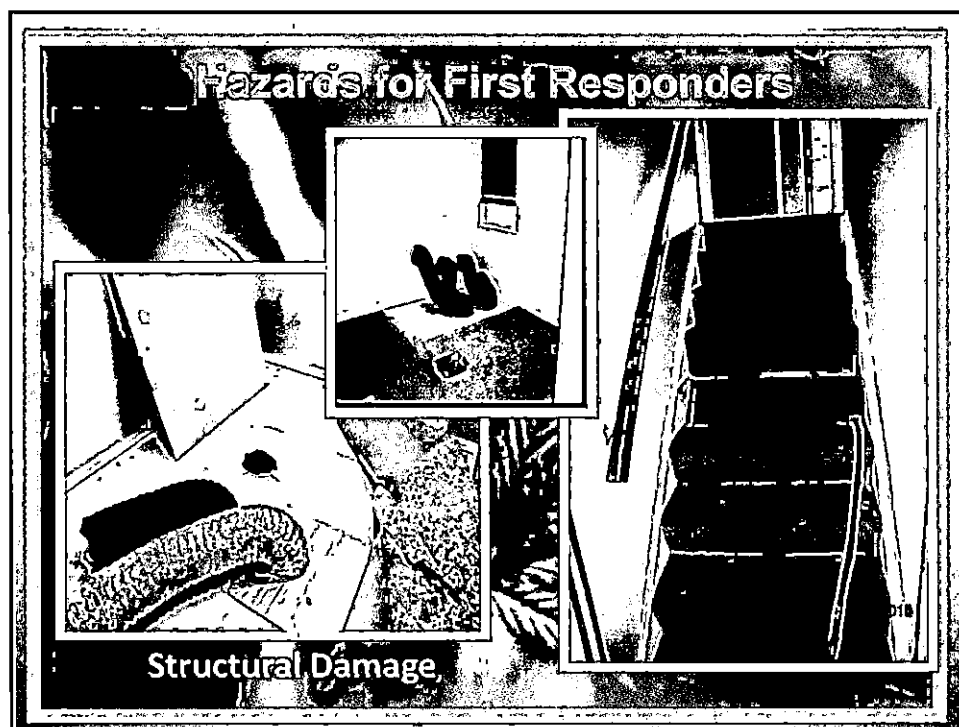
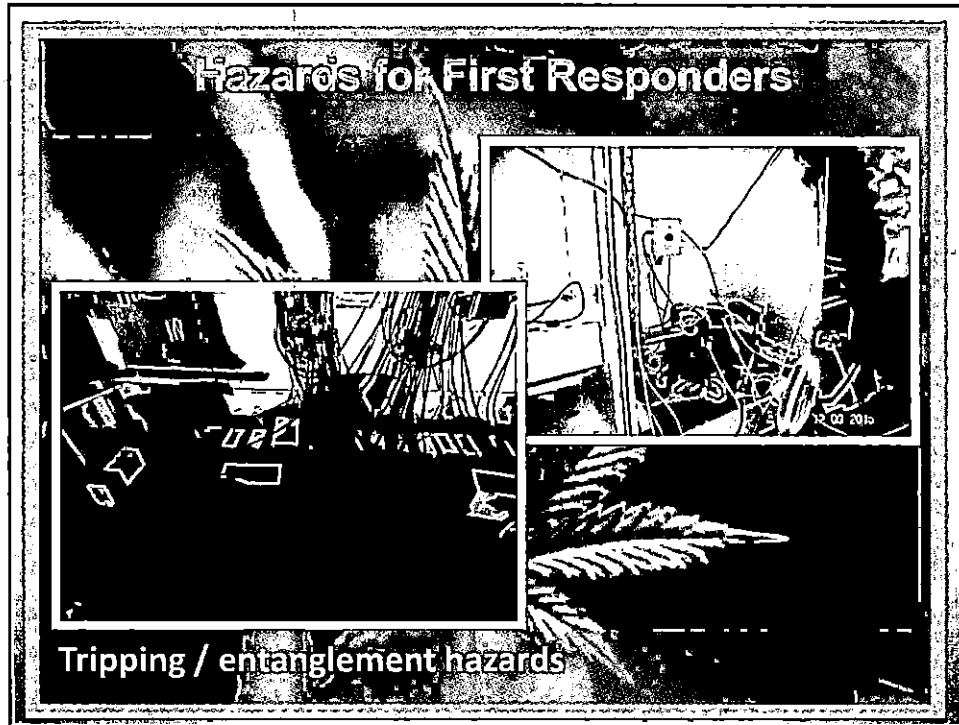


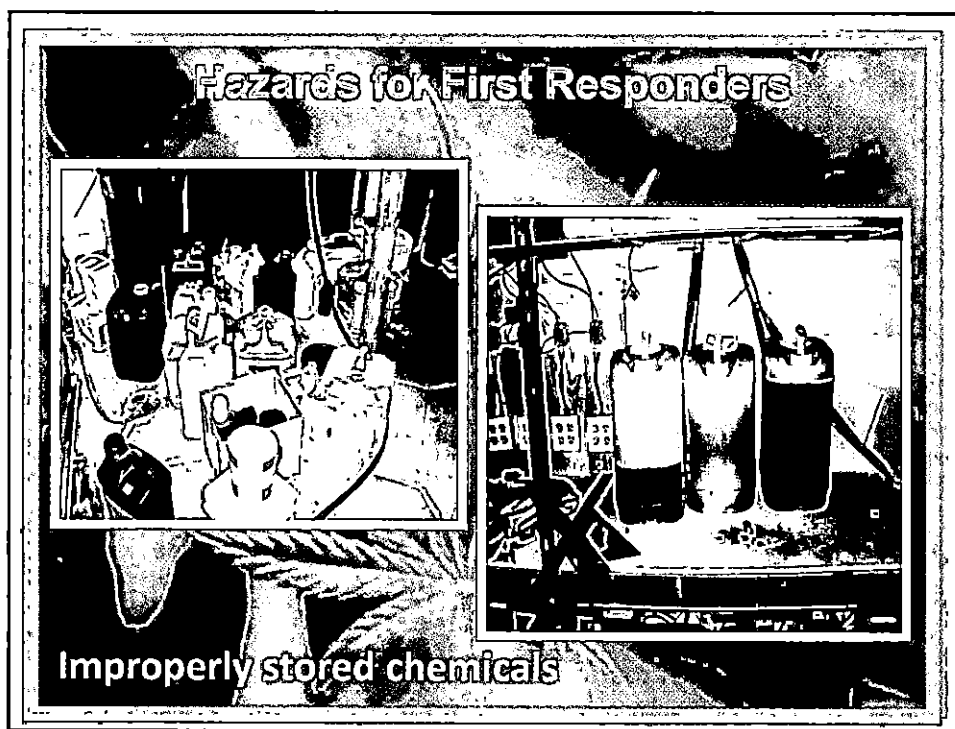
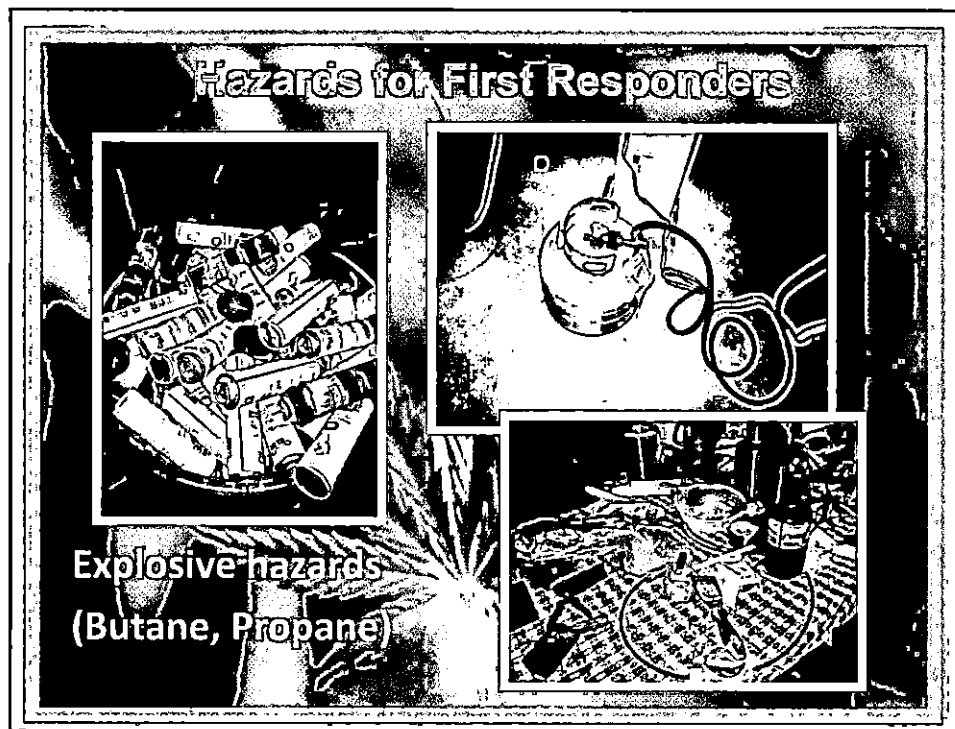


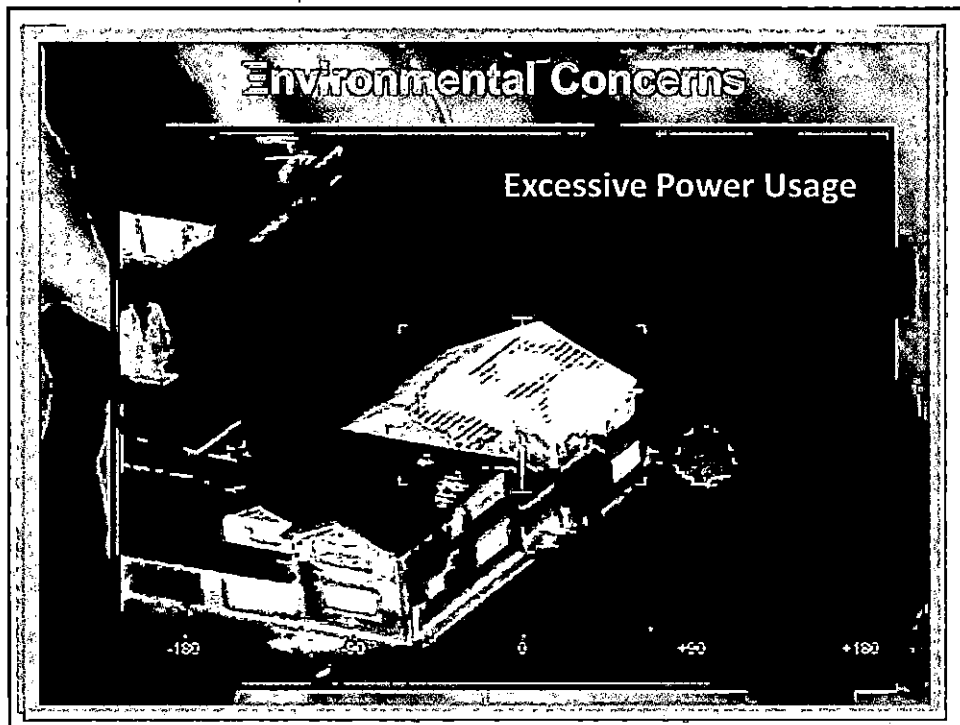
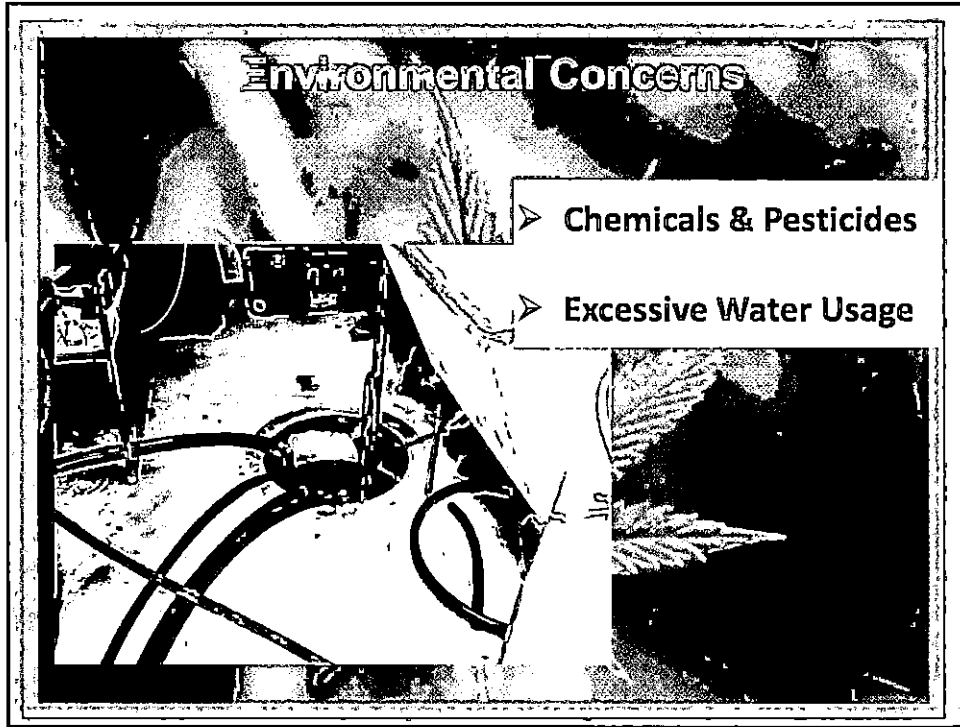


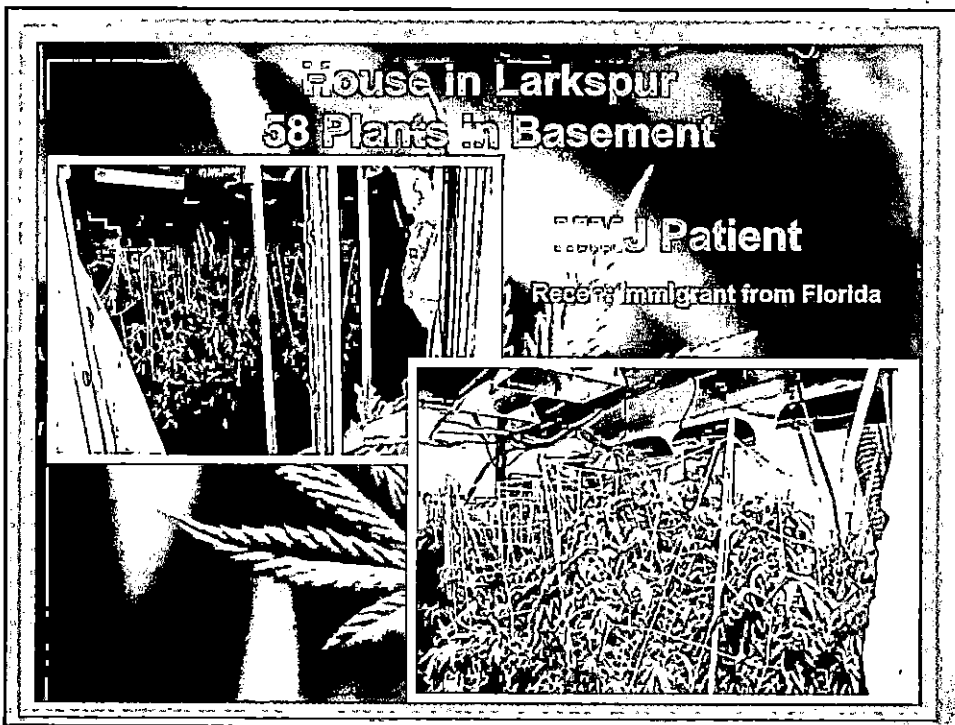
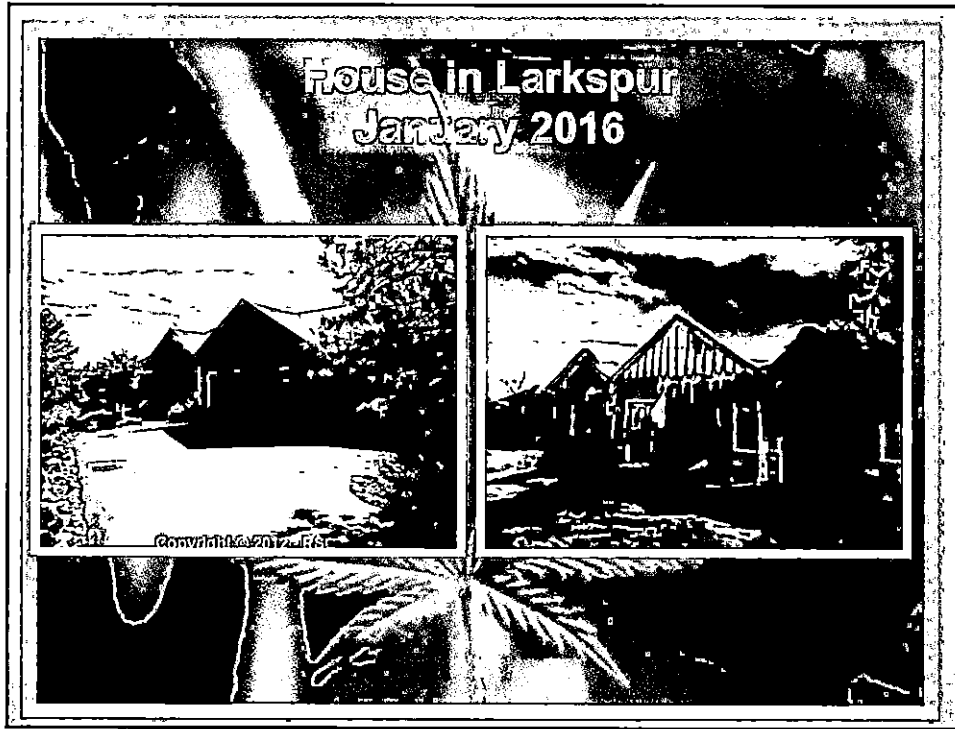


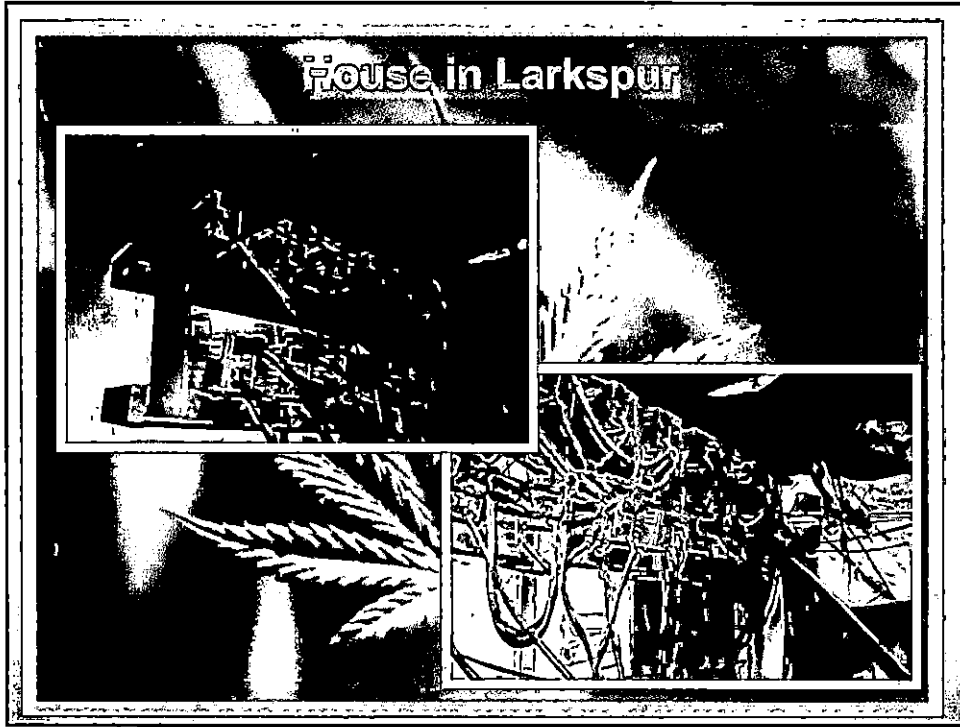


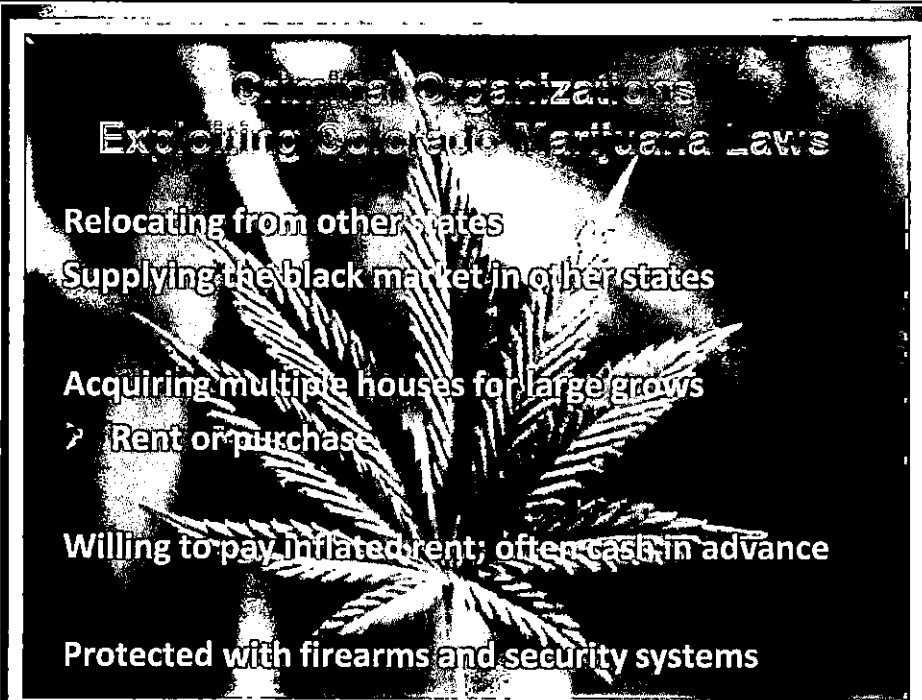













**Criminal Organizations
Exploiting Colorado Marijuana Laws**

- Relocating from other states
- Supplying the black market in other states
- Acquiring multiple houses for large grows
 - Rent or purchase
- Willing to pay inflated rent; often cash in advance
- Protected with firearms and security systems



**Criminal Organizations
Exploiting Colorado Marijuana Laws**

- Independent Brokers**
 - Find multiple sources of supply with home grows
 - Act as middlemen between growers and out-of-state buyers
- Drug Trafficking Organizations**
 - Cuban, Eurasian, Asian organized criminal groups
 - Supplied through home grows, brokers, and state-licensed businesses



VALUE OF THE ILLICIT GROW HOUSES

Current estimated value of known grow houses in El Paso County

51.4 MILLION

➤ What will the impact be on the local economy when most of these homes are damaged or ruined by the marijuana grows?



Involvement in Other Crimes

- Polydrug Trafficking
- Credit Card Skimming
- Financial Fraud
- Mortgages
- Insurance
- Medicaid
- Human Smuggling from Cuba
- Home Invasions & Assaults

