

Michael B. Hancock
MAYOR



City and County of Denver

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April 8, 2013

Dear Councilman Brown and members of the Amendment 64 Special Issues Committee,

As the Mayor of the great city of Denver, my No. 1 priority is to keep our citizens safe and healthy and to protect our neighborhoods. As you know, the passage of Amendment 64 is unprecedented, and many fundamental federal, state and local questions remain unanswered.

While we have sought guidance on Amendment 64 from the federal government, the Department of Justice has not indicated whether or to what extent it will weigh in. Denver is nonetheless required under Amendment 64 to move forward with our own local response despite harboring some very real concerns.

I salute the work of the City Council and the leadership of Councilman Charlie Brown in crafting a regulatory system for medical marijuana several years ago and the current Council for taking the time to grapple with our new reality. We stand with you as Denver continues to be responsible and thorough in considering the issues that surround Amendment 64.

My administration generally supports the state Task Force's overall plan. We must see clearly that the state has demonstrated its ability to adopt laws it can enforce and that adequate resources have been allocated for regulation and enforcement before we can responsibly opt in to this new environment.

We have been waiting to see the details of the state implementing legislation in order to understand the full scope of our local regulatory authority should we decide to issue licenses in Denver. We expect that the draft legislation will be released in the coming days and will be key to our ability to manage adult use recreational marijuana at the city level. We look forward to reviewing it and to continue working with our state partners to craft a system that meets Denver's needs.

From the state, we are hoping to see:

- A satisfactory regulatory, licensing and enforcement framework;
- Full authority for municipalities to regulate marijuana businesses at the local level;
- Adequate resources provided by taxes, fees and/or other possible funding streams for licensing, enforcement and education at the state and local levels;
- A local share of any proposed state tax revenue with no pre-emption of local taxation;
- Multijurisdictional tracking of inventory;
- Consumer safety, including safeguards around edible products, packaging and labeling requirements; and

- Revisions to the criminal code, including what constitutes public consumption and whether private marijuana clubs will be prohibited.

While the city will be watching and working closely with our state partners to draft the regulatory framework, we are prepared to design comprehensive, transparent and rigorous enforcement and licensing policies at the local level.

Of paramount concern to me is the need to protect the integrity of our neighborhoods. If Denver decides to opt in, we support:

- A phase-in period of at least two years during which only existing medical marijuana licensees can apply for licenses under the new law;
- Rigorous standards to protect neighborhoods;
- Meaningful public hearing process;
- Ensuring that any new retail marijuana stores are not allowed near schools or near other marijuana outlets; and
- A funding structure that pays for itself.

We will not support:

- Public consumption of marijuana in our streets or our parks or anywhere else our population might be unwittingly exposed.
- The establishment of private clubs in Denver. Amendment 64 does not provide for this and neither should we.

As a parent, I worry about how the increased presence of marijuana in our city will affect our children and our grandchildren. Despite a few lessons learned from medical marijuana, the long-term implications of that industry and the potential for an expanded industry will not be known to us for perhaps a generation or more. There is no denying, however, the potential for a negative impact on our kids – on their home lives, their health, their education and their future. We already know the toll substance abuse takes on so many of our residents. Sadly, many of them are parents. The cost of substance abuse on our healthcare system, our jails and in our courts is substantial. I want more for all of our kids and for all Denverites.

Finally, as everyone who has touched this subject of late will attest, there are no easy answers to what we are facing. Amendment 64 calls for quick implementation, but we cannot sacrifice prudence for expediency. Denver's future depends upon us and the actions we take now.

Respectfully,

A handwritten signature in black ink, appearing to read "M. Hancock", with a long horizontal flourish extending to the right.

Michael B. Hancock
Mayor