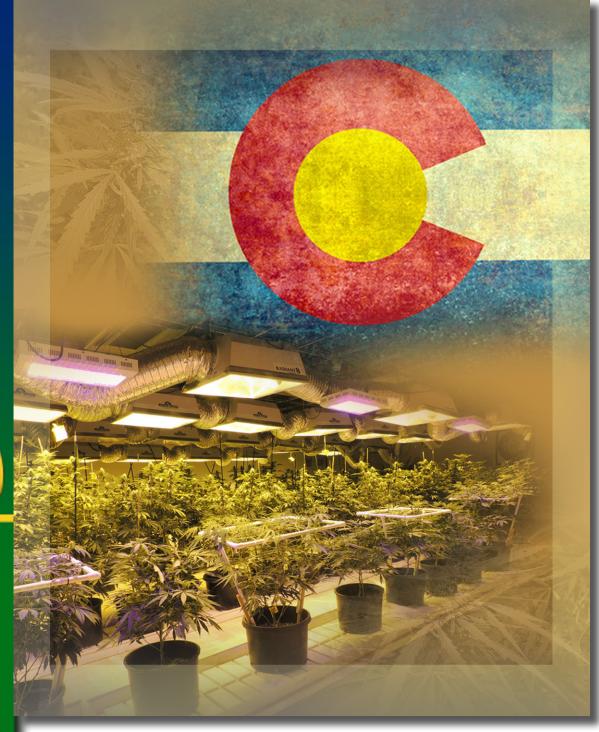




DEA Intelligence Report

# Residential Marijuana Grows in Colorado: The New Meth Houses?

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# Residential Marijuana Grows in Colorado: The New Meth Houses?

#### **Executive Summary**

Colorado's state laws legalizing marijuana do not limit how much marijuana can be grown within a private residence. Further, there is no mechanism at the state-level to document or regulate home grows, even large ones. This has led to a proliferation of large-scale marijuana grow operations in hundreds of homes throughout the state. Much of the marijuana produced in large home grows is shipped out of Colorado and sold in markets where it commands a high price.

Although growing a large number of marijuana plants within private residences can fall within the parameters of state law, it presents potential risk to the occupants, homeowners, and neighbors of these residences, as well as to first responders who are called to them. Marijuana grows often cause extensive damage to the houses where they are maintained and are increasingly the causes of house fires, blown electrical transformers, and environmental damage. Much like the "meth houses" of the 1990s, many of these homes may ultimately be rendered uninhabitable.

#### DETAILS

Colorado's legalization of medical marijuana and recreational marijuana by voter referendum set the stage for unfettered marijuana production in the state. Both Amendment 20 and Amendment 64 contain loopholes that allow for large marijuana grows within private residences. Although the State of Colorado created the Marijuana Enforcement Division (MED)—a regulatory body for licensed marijuana businesses—the MED does not have authority to regulate home grows.

According to the Colorado Department of Public Health and Environment, in January 2016 there were 8,210 medical marijuana patients in Colorado with physician recommendations to grow 50 to 99 plants. If each patient grew 50 plants, that equals 410,000 marijuana plants.

From each plant, they would likely harvest 1 pound of finished marijuana every 90 days. That is 1.64 million pounds of harvested marijuana per year. Access to medical marijuana became every Coloradan's constitutional right in November 2000 when voters approved Amendment 20. Amendment 20 allows patients to possess six marijuana plants, unless a physician recommends more. As of 2016, physician recommendations for 75 to 99 plants are commonly used to justify large residential grows, many of which produce marijuana for sale outside the state. In January 2016, there were 107,798 medical marijuana registry patients. Of those, roughly 8 percent (8,210 patients) had physician recommendations for 50 to 99 plants.<sup>1</sup> Notably, in January 2014, when cultivation and possession of recreational marijuana became legal under state law, there were more overall medical marijuana patients (110,979), but fewer with elevated plant counts of 50 or more plants (5,308).<sup>2</sup>

As of March 2016, there is not a state-imposed limit on either the number of plants a physician may recommend for a medical marijuana patient or on the number of plants a patient may grow in a private residence. In

May 2015, state legislation was passed that limited medical marijuana patients to growing 99 plants on private property—it will take effect January 2017.<sup>3</sup>

Amendment 64 allows any adult 21 years old or older in Colorado to cultivate up to six plants. It further allows for the possession of all marijuana produced by those plants, provided the marijuana remains in the enclosed residence and is not sold.<sup>4</sup> Amendment 64 also allows any adult in Colorado to "assist" any other adult in Colorado in "possessing, growing, processing, or transporting" his/her marijuana.<sup>5</sup> Consequently, large grows and/or quantities of processed marijuana within a residence are often justified through the claim

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that the resident is assisting others by growing or storing their marijuana. As there is no mechanism at the state or local level to document or regulate recreational marijuana home grows, there is no practical means for local police to verify whose plants are grown or whose marijuana is stored in any given residence.

Some local governments have begun to place limits on the number of plants that can be grown in private residences. However, such local ordinances are widely varied and rarely effectively enforced.

As a result of the permissiveness of Colorado's medical and recreational marijuana laws, the system is extensively exploited by traffickers who operate large marijuana grows that supply out-of-state markets. Since 2014, there has been a noticeable increase in organized networks of sophisticated residential grows in Colorado that are orchestrated and operated by drug trafficking organizations. These organizations operate hundreds of large-scale home grows throughout Colorado. Harvested marijuana is

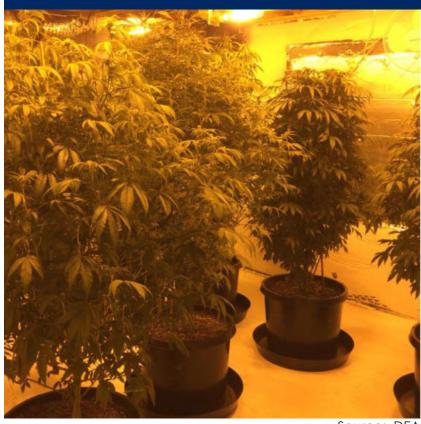


FIGURE 1. A BASEMENT GROW IN A COLORADO HOME.

Source: DEA

shipped or transported from Colorado to markets in the Midwest and along the East Coast.<sup>6</sup>

Indoor marijuana plants can grow as tall as 6 feet or more and yield more than a pound of harvested marijuana every 90 days. Growing them requires specific conditions that consume high levels of electrical power and water and results in the drainage of chemical-laden waste water. Grow rooms must be maintained at temperatures between 71 and 80 degrees Fahrenheit. At certain times during the growing cycle, plants must remain under high-power grow lights for 24 hours a day. Fertilizers and pesticides—sometimes harsh ones— are required to grow robust and healthy plants. At times in the growing cycle, each plant can require 3 or more gallons of water per day.

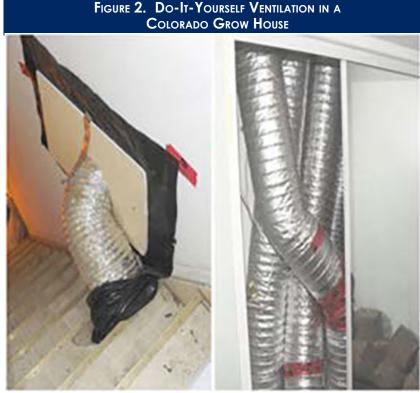
Local police departments often receive numerous calls from neighbors about marijuana grow houses. Common complaints include strong odors, excessive noise from industrial air-conditioning units, blown electrical transformers, and heavy vehicle traffic.

Colorado homes where marijuana is grown often sustain extensive structural damage. Moisture, condensation, and molds spread throughout the residence. Growers often cut holes in floors and exterior walls in order to install ventilation tubes. Growers often tamper with electrical systems in order to supply multiple high-power grow lights and industrial air-conditioning units. These alterations are often done by tenant growers with little regard for fire risk or the home's structural integrity. This is an increasing concern for first responders.

#### 3 UNCLASSIFIED

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# Residential Marijuana Grows in Colorado: The New Meth Houses?



Source: DEA

Altered electrical systems with loose and entangled wires, flammable fertilizers and chemicals, explosive materials such as propane and butane, or holes cut into subfloors for venting all pose clear hazards to firefighters or police officers responding to the residence in an emergency situation.

### Outlook

Adding to the list of unintended consequences of marijuana legalization in Colorado, the proliferation of large residential grows is taxing local police and fire departments, consuming power and water resources, and potentially affecting home values in communities throughout the state. Further, the ability to establish large-scale marijuana grow operations within residential homes under the guise of state law will likely continue to attract drug traffickers and criminal organizations. Thus, Colorado will continue to be a source for much of the marijuana destined for markets in other states.

- <sup>1</sup> Colorado Department of Public Health and Environment, January 2016.
- <sup>2</sup> Ibid.
- <sup>3</sup> Colorado Senate Bill 15-014, passed May 2015.
- <sup>4</sup> Colorado Constitution. Article 18, Section 16, Subsection 3(b).
- <sup>5</sup> Colorado Constitution. Article 18, Section 16, Subsection 3(e).
- <sup>6</sup> DEA Denver Division Investigative Reporting. 2016; extracted information is: (U); overall document classification is: (U).



This product was prepared by the DEA Denver Division. Comments and questions may be addressed to the Chief, Analysis and Production Section at <u>dea.onsi@usdoj.gov</u>.