



The fiscal consequences of commercialized marijuana

The Centennial Institute commissioned a study to evaluate a **cost analysis** of the legalization of marijuana for recreational use in Colorado. Their report analyzed a list of nine areas of impact: **Health, Productivity** (education, employment, and income), **Traffic, Crime, Housing, Natural environment, Tourism** (out-of-state resident users), **Homelessness**, and **Animals** (pets).

This study found that legalizing marijuana for recreational use is **a net loss**. **For every dollar that came from tax revenue, Coloradans spent \$4.50 to mitigate the effect of legalized marijuana.** "Costs related to the healthcare system and from high school drop-outs are the largest cost contributors." Jeff Hunt, Centennial Institute

Costs Summary

Amount	Section	Notes
		Costs
(\$381,915,043)	Health	Hospitalizations
(\$31,448,906)	Health	Treatment for cannabis use disorder
(\$593,924)	Health	Burn treatments
(\$697,036)	Health	Low weight babies
(\$54,833,218)	Health	Cost of physical inactivity
(\$3,782,625)	Productivity	Cost of businesses for policy development
(\$3,401,300)	Productivity	Cost to employer for rehabilitation
(\$481,600)	Productivity	Employees costs for rehabilitation
(\$423,362,337)	Productivity	K-12 drop-outs
(\$7,194,600)	Crime	Arrests
(\$18,565,226)	Crime	DUI court-costs
(\$1,170,126)	Crime	Juvenile court filings
(\$3,484,282)	Crime	Adult court filings
(\$3,111,114)	Crime	Denver-only marijuana-related crime
(\$87,014,326)	Crime	Probationers going back for THC violation
(\$5,362,620)	Traffic	Fatal car accidents
(\$18,565,226)	Traffic	DUIs
(\$83,732,717)	Traffic	Car accidents from impaired drivers
(\$1,837,500)	Housing	Evictions due to pot, cost to landlord
(\$130,500)	Tourism	Arrests crossing the border to Colorado
(\$1,130,684,227)		Total

Economic and Social Costs of Legalized Marijuana

Centennial Institute
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