

Sales of recreational marijuana in Denver found to increase some nonviolent crime

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In 2014, Colorado began selling recreational cannabis to people older than 21, becoming the first state to legalize recreational marijuana. A new study evaluated the effect of recreational and medical marijuana

dispensaries on crime in Denver. The study found that street segments with recreational dispensaries saw no changes in violent, disorder, and drug crime, but experienced significantly higher levels of property crime. Street segments adjacent to recreational dispensaries experienced higher levels of drug and disorder crimes, although the increases were not statistically significant for either type of crime. And street segments with and adjacent to medical dispensaries saw no significant changes in crime. The study concluded that the costs of these crimes were largely offset by the sales revenue generated by recreational dispensaries.

The study, by researchers at John Jay College, the City University of New York (CUNY), appears in *Justice Evaluation Journal*, a publication of the Academy of Criminal Justice Sciences.

"The increase in nonviolent crimes must be a consideration when assessing the legalization of [recreational marijuana](#)," says Nathan J. Connealy, a doctoral student at John Jay College of Criminal Justice at CUNY, who led the study. "But the significant revenue these dispensaries generated in Denver may lead other jurisdictions to ask whether the public will tolerate increases in nonviolent crime given the potential monetary benefits of legalizing recreational [marijuana](#)."

The study measured changes in levels of violent, disorder, drug, and property crime from the three-year period before recreational marijuana was legalized (2011-2013) against the three-year period after it was legalized (2014-2016). Crime data came from the Denver Police Department.

Researchers analyzed the effects of crime at the [street](#) level, that is, they measured the change in crime levels on and near the individual streets where each type of dispensary was located to determine the effects of marijuana sales on a local level. Of the 30,806 total street segments in Denver, they evaluated potential changes in the level of crime for the

186 street segments that opened a recreational marijuana dispensary and the 97 street segments that housed a medical marijuana dispensary in the post-legalization study period. They then compared the findings related to these street segments to street segments that did not have marijuana dispensaries.

Street segments with recreational dispensaries experienced no changes in violent, disorder, and drug crime, but did experience an 18% increase in property crime compared to segments of streets without dispensaries, the study found. Street segments adjacent to recreational dispensaries also experienced notably higher levels of crime related to drugs (17%) and disorder (28%) during the post-legalization period, but those changes did not differ substantively from the comparison street segments. On streets with or near medical dispensaries, there were no significant changes in crime.

Researchers also conducted a cost-benefit analysis by comparing the costs of increased crime (including the total cost of criminal justice, victim cost, and total crime cost) with the local sales and tax revenue generated by Denver's recreational marijuana dispensaries. In this way, they sought to determine whether the monetary benefits of the policy offset the monetary [costs](#) of a potential unintended increase in crime.

The researchers found that for sales alone, the revenue generated by the recreational dispensaries outweighed the cost of the local increase in property crime. Specifically, for every dollar cost associated with the rise in property crime, recreational marijuana dispensaries generated more than \$309 in [sales revenue](#). The [cost-benefit analysis](#) supported the monetary tax benefit of the dispensaries, but to a lesser extent: For every dollar associated with the rise in property crime, the dispensaries generated almost \$13 in tax revenue.

"Taken alone, the increase in property crime reflects poorly on

legalization, but the sales volumes and the potential boost to the local economy may create an incentive for legalization despite some [crime](#)-related concerns," notes Eric L. Piza, associate professor of criminal justice at John Jay College of Criminal Justice at CUNY, who coauthored the study.

The authors acknowledge that because the study focused on Denver, their findings may not be generalizable to other jurisdictions considering legalization. In addition, the study considered only crimes reported to police.

More information: *Justice Evaluation Journal*, [DOI: 10.1080/24751979.2019.1691934](#)

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