

AMENDMENT 64 IMPACTS AND CHALLENGES FOR BUSINESS



1980'S MARIJUANA THC

- Average psychoactive ingredient THC in the 1980's 4%
- Mexican marijuana 6 to 10% THC
- Colorado Grown 20-30% THC
- Hash Oil 60% or higher
- Taken from: Sheriff Taylor slide presentation in Pueblo

DID YOU KNOW?



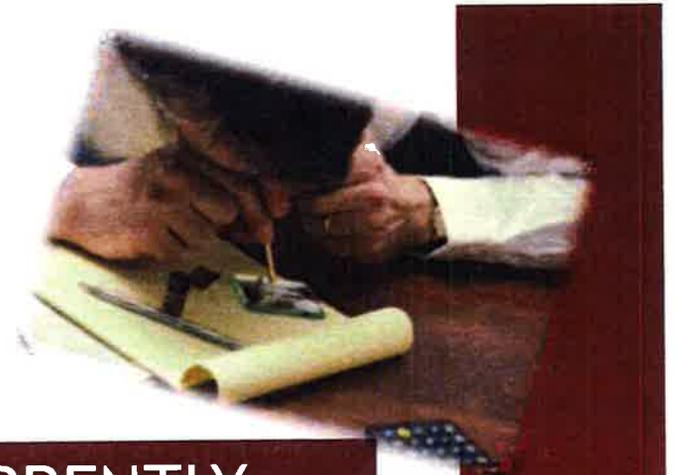
- EMPLOYEE DRUG USE COSTS U.S. BUSINESS OVER 193 BILLION PER YEAR IN LOST PRODUCTIVITY, HEALTH CARE COSTS, CRIMINAL JUSTICE COSTS.

Source: Economic Costs of Drug Abuse in United States - 2007 Executive Office of the President of the United States National Drug Control Policy

- SMALL BUSINESSES CAN LOSE UP TO \$7,000/ MONTH OF LOST PRODUCTIVITY, EMPLOYEE TURNOVER, ABSENTEEISM AND TARDINESS

- Source: Corporate Initiatives for a Drug Free Workplace, U.S. Chamber of Commerce, 1990

WORKPLACE DRUG USE



- ◉ F/T WORKERS AGE 18-49 WHO CURRENTLY USE ILLICIT DRUGS, REPORT THEY HAVE:
- ◉ WORKED FOR 3 OR MORE EMPLOYERS IN PAST YEAR
- ◉ VOLUNTARILY LEFT AN EMPLOYER IN THE PAST YEAR.
- ◉ WERE FIRED BY AN EMPLOYER IN THE PAST YEAR.

WORKPLACE DRUG USE



- 3.6X MORE LIKELY TO BE INVOLVED IN A WORKPLACE ACCIDENT
- 5X MORE LIKELY TO FILE A WORKERS' COMPENSATION CLAIM

9Backer, T.E. Strategic Planning for Workplace Drug Abuse Programs, p. 4. NIDA. Rockville, MD.

QUEST DIAGNOSTICS

JUNE 9, 2015



- Positive all drug test results 2nd yr in a row increase
- 9.3% overall increase to 4.7% in 2014 was 4.3% in 2013
- Private companies - general workforce 14% increase, employees subject to federal drug testing-safety sensitive employees 6% increase.
- Marijuana continues to be the most commonly detected illicit drug according to Quest

<http://www.questdiagnostics.com/home/physicians/health-trends/drug-testing.html>

MAJOR EMPLOYERS WHO DRUG TEST IN PUEBLO

- STEEL INDUSTRY
- CHEMICAL DEMILITARIZATION SITE
- ALMOST ENTIRE AIRPORT INDUSTRIAL PARK
- ALL HOSPITALS
- MOST MAJOR CONSTRUCTION COMPANIES
- WHEN VESTAS CAME TO PUEBLO THEY WANTED 6,000 APPLICANTS FOR 550 JOBS - ALL DRUG FREE
- ANY TRUCKING COMPANY WITH OVER 26K GVW TRUCKS

KRSC INC 2015 TEST RESULTS

- 6 PRE EMPLOYMENT FAILURES
- 1 POST ACCIDENT
- 2 REASONABLE SUSPICION
- 2 RANDOM
- 11 FAILURES TOTAL
 - 8 ENROLLED IN SUBSTANCE ABUSE PROGRAMS
- In 2014, 7 OUT OF 14 IN ONE WEEK FAILED



ASSOCIATED COSTS FOR TESTING AND DAMAGES KRSC INC.

- HARD COSTS - \$18,000
- SOFT COSTS - ADMINISTRATION - \$125,000
- DAMAGE TO EQUIPMENT \$150,000
- EXPAND SECURITY FOR OFFICES AND YARDS:
\$50,000 - 24X7 SECURITY GATE
- INCREASE IN STOLEN EQUIPMENT: \$200,000
- TOWN OF HASTY, CO KNOCKED OUT OF GAS
COMPLETELY-2014-EMPLOYEE TESTED POSITIVE

FEDERAL DOT REQUIREMENTS

KRSC INC.

- SUBSTANCE ABUSE TESTING PROGRAMS
 - FEDERAL MOTOR CARRIER FMCSA
 - PIPELINE PHMSA
 - ALL COMPANY EMPLOYEES WHO ARE NOT IN PROGRAM
- TESTING PROGRAMS
 - PRE-EMPLOYMENT
 - RANDOM
 - POST ACCIDENT
 - REASONABLE-SUSPICION

IMPACT OF MARIJUANA USAGE



JOB APPLICANTS AT CO ELECTRIC COMPANY

FEBRUARY 2015

- ◉ 12 APPLICANTS IN PRE-EMPLOYMENT PROCESS
- ◉ MOBILE DRUG TEST COLLECTOR ARRIVES
- 9 APPLICANTS WALK-OUT
- 3 COMPLETE PRE-EMPLOYMENT DRUG SCREEN
- 2 PASS THE DRUG SCREEN
- 1 FAILS (THC POSITIVE)



LOOKING OUTSIDE THE STATE FOR QUALIFIED EMPLOYEES

- “I’ll get straight to the bottom line,” said Rick Reubelt, Haseldon Construction’s director of environmental health and safety, “If you’re in the construction industry, marijuana use is not acceptable at any time, under any circumstance or condition.”
- JIM JOHNSON SAID, “HIS COMPANY HAS ENCOUNTERED SO MANY JOB CANDIDATES WHO HAVE FAILED PRE-EMPLOYMENT DRUG TESTS BECAUSE OF THEIR THC USE...IT IS ACTIVELY RECRUITING CONTRUCTION WORKERS FROM OTHER STATES.”

<http://gazette.com/drug-use-a-problem-for-employers/article/1548427>



ATTEMPTS TO CHEAT TESTS

- “In February,” Leona Willener said, “more than half the applicants who came to her company looking for work failed the required drug tests because of THC use..1 in 3 attempted to cheat the test.”
- Colorado Staffing Agency
 - Source: <http://gazette.com/drug-use-a-problem-for-employers/article/1548427>
- Some applicants take their urine sample to a microwave at a convenience stores to warm it up.
 - Source: Henderson Consulting & EAP Services



FEDERAL GOVERNMENT NEW RULE TO SET CDL DRUG AND ALCOHOL CLEARINGHOUSE

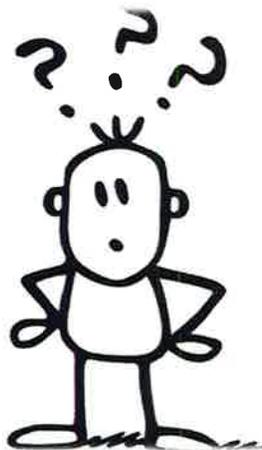
- ◉ ESTABLISH DATABASE OF CDL HOLDERS THAT HAVE FAILED OR REFUSED A DRUG TEST
- ◉ REQUIRES CARRIERS TO UPLOAD THIS INFORMATION TO FMCSA AT LEAST ANNUALLY
- ◉ CARRIERS MUST QUERY DATABASE WHEN HIRING
- ◉ FORMER EMPLOYERS MUST KEEP EMPLOYEE RECORDS FIVE YEARS
- ◉ NEW EMPLOYERS MUST CHECK WITH FORMER EMPLOYERS 3 TIMES AND IF FORMER EMPLOYER AFTER 3 CONTACTS NO RESPONSE FINED 10K

EMPLOYEES BENEFITS AND ISSUES WITH POSITIVE DRUG AND ALCOHOL TESTS

- Unemployment-18-18-102 (5) C.R.S.
No scheduled payments of unemployment benefits for employee for failure to adhere to company established, written drug or alcohol policies.
- Workers Compensation Act 8-42-112(5) C.R.S.
Nonmedical benefits otherwise payable to an injured worker are reduced fifty percent where injury results from presence in the worker's system of a controlled substance during working hours.

WHAT IS THE DISCUSSION REALLY ABOUT?

- The right to Drug-Free workforce vs. the right to Drug-Use
- Safety vs. Liability
- Responsibility vs Culpability
- Productivity vs. Loss/Risk Control
- Sending the wrong message to the work force and children that recreational drugs are okay
- Diminishing drug free labor pool and applicants
- Hidden costs to community for people using drugs



THANK YOU TO THE FOLLOWING SOURCES

- ⦿ Henderson Consulting & EAP Services
- ⦿ Jo McGuire - Jo McGuire, Inc.
- ⦿ Sheriff Kirk M. Taylor BA, JD

