This thesis focuses on the issue of cannabis legalization in Colorado. Legislation adopted at the federal level prohibits production, distribution and consumption of cannabis. Through public ballot initiatives, use of cannabis for non-medical purposes was legalized on the state level. This approach represents a fundamental change in drug policy and, in the future, it could affect federal drug policy regarding cannabis. This thesis uses the example of Colorado to illustrate the inconsistency in the legal approach to cannabis between some of the U.S. states and the federal government. By describing and analyzing the control measures in Colorado, this thesis aims to identify various regulatory risks, which might cause conflicts with the federal government. The thesis points to the liberal aspects of the regulation in Colorado and confronts the discrepancy with the directive of the federal government to establish a strong regulatory framework that is consistent with federal priorities in the area of law enforcement. The thesis contains a set of recommendations that contribute to reducing potential negative effects. Even though the federal government did not interfere with state’s cannabis legalization, these recommendations could prevent a possible clash with the federal government, which still de jure prohibits cannabis use.