HOWARD COUNTY OFFICE OF COUNTY EXECUTIVE

3430 Courthouse Drive Ellicott City, Maryland 21043 410-313-2013 Voice/Relay



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То:	Brandee Ganz, Chief Administrative Officer Department of County Administration
From:	Maureen Evans Arthurs, Director of Government Affairs Office of Howard County Executive Calvin Ball
Date:	April 25, 2024
Subject:	Testimony in Support: Council Bill Special Fund – Community Reinvestment and Repair Fund – Adult Use Cannabis Advisory Panel

Prior to the legalization of adult-use recreational cannabis on July 1, 2023, the State of Maryland established a special fund that would be dispersed to communities greatly impacted by drug enforcement. To receive this funding, counties across the state with zip codes identified as 'disproportionately impacted areas' by the Maryland Attorney General and the Maryland Office of Social Equity, are mandated to establish a Community Reinvestment and Repair Fund to receive annual appropriations from a portion of sales tax proportionate to impacted areas. Council Bill No. 19-2024 establishes the County's Community Reinvestment and Repair Fund as a dedicated, special fund and sets forth the permissible uses of the Fund in accordance with Section 1-322 of the Alcoholic Beverages and Cannabis Article of the Annotated Code of Maryland (the "State Law").

Pursuant to State Law, the establishment of the Community Reinvestment and Repair Fund enables the Howard County Department of Finance to disperse funds to local organizations operating programs or initiatives in 'disproportionately impacted areas.' Currently, the fund has a balance of 1,143,885.83 which includes a one-time, \$1 million appropriation reflecting the transition from medical-use cannabis to recreational use.

This legislation also amends the Adult-Use Cannabis Advisory Panel that was recently established by CB32-2023. Changes are made to include representation of the Office of Human Rights and Equity (OHRE) as an ex-officio member. It also adds representation of at least one resident from 21044 and one resident from 20145, which have been defined by the State as 'disproportionately impacted areas.'

Additionally, this bill expands the scope of the panel to provide input on the granting of Community Reinvestment and Repair funding to community organizations working in these areas.



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Fiscal Impact:

While there is no direct fiscal impact to this legislation, the County received \$1,143,885.83 in Community Reinvestment and Repair funds during FY24. CB19 establishes a mechanism to receive those funds and to spend those funds in accordance with State Law.