

SENATE BILL 699

A3

4r3175
CF 4r3433

By: **Senator M. Washington**

Introduced and read first time: January 29, 2024

Assigned to: Finance and Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Cannabis – Community Reinvestment and Repair Fund – Distribution and Use**
3 **of Funds for Baltimore City**

4 FOR the purpose of altering the process for distributing the Community Reinvestment and
5 Repair Fund to Baltimore City by allocating certain funds to the Baltimore City
6 Comptroller under certain circumstances; establishing an Equitable Community
7 Investment Council in each Baltimore City State legislative district; requiring each
8 council to adopt bylaws by a certain date and to develop certain plans to allocate
9 certain funds through certain grants to community-based organizations for certain
10 services and programs; requiring the Baltimore City Comptroller to distribute
11 certain funds in a certain manner; and generally relating to the Community
12 Reinvestment and Repair Fund and the distribution and use of funds for Baltimore
13 City.

14 BY repealing and reenacting, without amendments,
15 Article – Alcoholic Beverages and Cannabis
16 Section 1–322(a)(1)
17 Annotated Code of Maryland
18 (2016 Volume and 2023 Supplement)

19 BY repealing and reenacting, with amendments,
20 Article – Alcoholic Beverages and Cannabis
21 Section 1–322(b)
22 Annotated Code of Maryland
23 (2016 Volume and 2023 Supplement)

24 BY adding to
25 Article – Alcoholic Beverages and Cannabis
26 Section 1–324
27 Annotated Code of Maryland
28 (2016 Volume and 2023 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
2 That the Laws of Maryland read as follows:

3 **Article – Alcoholic Beverages and Cannabis**

4 1–322.

5 (a) (1) There is a Community Reinvestment and Repair Fund.

6 (b) (1) **(I) [Based] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF**
7 **THIS PARAGRAPH, BASED** on the percentage allocable to each county determined by the
8 Office of Social Equity and reported by the Office to the Comptroller on or before July 31
9 each year, the Comptroller shall distribute funds from the Fund to each county in an
10 amount that, for the period from July 1, 2002, to January 1, 2023, both inclusive, is
11 proportionate to the total number of cannabis possession charges in the county compared
12 to the total number of cannabis possession charges in the State.

13 **(II) 1. FOR BALTIMORE CITY, THE COMPTROLLER SHALL**
14 **DISTRIBUTE FUNDS FROM THE FUND TO THE BALTIMORE CITY COMPTROLLER,**
15 **WHO SHALL DISTRIBUTE THE FUNDS IN ACCORDANCE WITH § 1–324 OF THIS**
16 **SUBTITLE.**

17 **2. THE BALTIMORE CITY COMPTROLLER MAY RETAIN**
18 **UP TO 2% OF THE FUNDS RECEIVED UNDER SUBSUBPARAGRAPH 1 OF THIS**
19 **SUBPARAGRAPH TO COVER THE DIRECT AND INDIRECT COSTS ASSOCIATED WITH**
20 **ADMINISTERING THE DISTRIBUTING OF THE FUNDS.**

21 (2) (i) **[Subject] EXCEPT FOR BALTIMORE CITY, SUBJECT** to the
22 limitations under subsection (a)(6) of this section, each county shall adopt a law
23 establishing the purpose for which money received from the Fund may be used.

24 (ii) **1. [On] SUBJECT TO SUBSUBPARAGRAPH 2 OF THIS**
25 **SUBPARAGRAPH, ON** or before December 1 every 2 years, beginning in 2024, each political
26 subdivision that receives funds from the Fund under paragraph (1) of this subsection shall
27 submit a report to the Governor and, in accordance with § 2–1257 of the State Government
28 Article, the Senate Budget and Taxation Committee and the House Appropriations
29 Committee on how funds received from the Fund were spent during the immediately
30 preceding 2 fiscal years.

31 **2. FOR BALTIMORE CITY, THE BALTIMORE CITY**
32 **COMPTROLLER SHALL SUBMIT THE REPORT REQUIRED UNDER SUBSUBPARAGRAPH**
33 **1 OF THIS SUBPARAGRAPH.**

34 **1–324.**

1 (A) IN THIS SECTION, "COUNCIL" MEANS AN EQUITABLE COMMUNITY
2 INVESTMENT COUNCIL.

3 (B) (1) THERE IS AN EQUITABLE COMMUNITY INVESTMENT COUNCIL IN
4 EACH STATE LEGISLATIVE DISTRICT LOCATED WHOLLY, OR IN PART, IN BALTIMORE
5 CITY.

6 (2) THE PURPOSE OF EACH COUNCIL IS TO DISBURSE THROUGH
7 GRANTS COMMUNITY REINVESTMENT AND REPAIR FUNDS DISTRIBUTED UNDER §
8 1-322 OF THIS SUBTITLE.

9 (C) (1) EACH COUNCIL CONSISTS OF THE FOLLOWING MEMBERS:

10 (I) ONE MEMBER OF THE SENATE WHO REPRESENTS THE
11 DISTRICT;

12 (II) ONE MEMBER OF THE HOUSE OF DELEGATES WHO
13 REPRESENTS THE DISTRICT, APPOINTED BY THE SPEAKER OF THE HOUSE; AND

14 (III) THE FOLLOWING MEMBERS APPOINTED BY THE GOVERNOR,
15 IN CONSULTATION WITH THE OFFICE OF SOCIAL EQUITY:

16 1. AT LEAST THREE REPRESENTATIVES FROM
17 ORGANIZATIONS LED BY INDIVIDUALS FROM DISPROPORTIONATELY IMPACTED
18 AREAS AS DEFINED IN § 36-101 OF THIS ARTICLE;

19 2. AT LEAST TWO YOUNG ADULT MEMBERS BETWEEN
20 THE AGES OF 18 TO 24;

21 3. AT LEAST TWO REPRESENTATIVES FROM NONPROFIT
22 HUMAN SERVICES OR COMMUNITY DEVELOPMENT ORGANIZATIONS THAT BENEFIT
23 TRADITIONALLY UNDERSERVED RESIDENTS; AND

24 4. UP TO SEVEN REPRESENTATIVES OF RECOGNIZED
25 COMMUNITY ASSOCIATIONS WITHIN THE DISTRICT.

26 (2) EACH COUNCIL SHALL HAVE AT LEAST 15 BUT NOT MORE THAN 17
27 MEMBERS.

28 (3) FOLLOWING THE INITIAL APPOINTMENT OF THE MEMBERS OF A
29 COUNCIL UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE COUNCIL SHALL

1 DETERMINE THE APPOINTMENT OF MEMBERS OF THE COUNCIL UNDER PARAGRAPH
2 (1)(III) OF THIS SUBSECTION.

3 (4) (I) THE TERM OF A MEMBER:

4 1. APPOINTED BY THE GOVERNOR UNDER PARAGRAPH
5 (1)(III) OF THIS SUBSECTION IS 2 YEARS; AND

6 2. BEGINNING JULY 1, 2026, APPOINTED BY THE
7 COUNCIL UNDER PARAGRAPH (3) OF THIS SUBSECTION MAY BE NOT LONGER THAN
8 3 YEARS.

9 (II) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE
10 UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.

11 (III) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN
12 SERVES ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED
13 AND QUALIFIES.

14 (5) A MEMBER OF A COUNCIL:

15 (I) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE
16 COUNCIL; BUT

17 (II) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER
18 THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE
19 BUDGET.

20 (D) (1) EACH COUNCIL SHALL:

21 (I) ADOPT BYLAWS NOT LATER THAN SEPTEMBER 1, 2024; AND

22 (II) DEVELOP A SUSTAINABLE GOVERNANCE PLAN AND
23 PROGRAM TO ALLOCATE FUNDS THROUGH GRANTS TO COMMUNITY-BASED
24 ORGANIZATIONS FOR SERVICES AND PROGRAMS CONSISTENT WITH THE EQUITY
25 PRINCIPLES FOR PARTICIPATION AND OUTCOMES UNDER § 1-322 OF THIS
26 SUBTITLE.

27 (2) ELIGIBLE EXPENDITURES FOR GRANT FUNDING UNDER THIS
28 SUBSECTION INCLUDE:

29 (I) BEHAVIORAL HEALTH CRISIS RESPONSE SERVICES;

1 (II) EDUCATION AND AFTER-SCHOOL PROGRAMS;

2 (III) TRUANCY AND ABSENTEEISM INTERVENTION PROGRAMS;

3 (IV) HOUSING AND HOMELESSNESS PREVENTION;

4 (V) TRANSPORTATION IMPROVEMENTS IN HIGH-DENSITY
5 TRANSIT CORRIDORS;

6 (VI) JOB TRAINING AND WORKFORCE DEVELOPMENT;

7 (VII) COMMUNITY SERVICES, INCLUDING CHILD CARE AND
8 RECREATIONAL SERVICES; AND

9 (VIII) OTHER PROGRAMS THAT BENEFIT INDIVIDUALS AND
10 FAMILIES IMPACTED BY INCARCERATION.

11 (E) THE FUNDS RECEIVED FROM THE COMPTROLLER UNDER § 1-322(B) OF
12 THIS SUBTITLE SHALL BE DISTRIBUTED BY THE BALTIMORE CITY COMPTROLLER
13 AS FOLLOWS:

14 (1) \$150,000 TO THE BALTIMORE CITY OFFICE OF EQUITY AND CIVIL
15 RIGHTS; AND

16 (2) THE REMAINING FUNDS FOR COMMUNITY INVESTMENT GRANTS
17 DISTRIBUTED EQUALLY AMONG EACH COUNCIL.

18 (F) ON OR BEFORE OCTOBER 1, 2024, AND EACH OCTOBER 1 THEREAFTER,
19 EACH COUNCIL SHALL SUBMIT A REPORT TO THE BALTIMORE CITY COMPTROLLER
20 INCLUDING:

21 (1) THE AMOUNT OF FUNDS RECEIVED;

22 (2) THE PROGRAMS OR ACTIVITIES FUNDED;

23 (3) THE METHODS USED TO ALLOCATE GRANTS TO ELIGIBLE
24 RECIPIENTS; AND

25 (4) COUNCIL EXPENDITURES.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
27 1, 2024.