

SENATE BILL 815

A3

4lr3179

By: **Senator M. Washington**

Introduced and read first time: February 2, 2024

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Cannabis – Community Reinvestment Impact Districts – Establishment**

3 FOR the purpose of authorizing a county or an Equitable Community Investment Council
4 to designate an area that meets certain criteria as a Community Reinvestment
5 Impact District, subject to certain requirements; requiring that a district shall
6 receive a certain percentage of the funds distributed from the Community
7 Reinvestment and Repair Fund for a certain period of time; and generally relating
8 to the establishment of Community Reinvestment Impact Districts.

9 BY repealing and reenacting, without amendments,
10 Article – Alcoholic Beverages and Cannabis
11 Section 1–322(a)(1) and (2) and (b)(1)
12 Annotated Code of Maryland
13 (2016 Volume and 2023 Supplement)

14 BY adding to
15 Article – Alcoholic Beverages and Cannabis
16 Section 1–325
17 Annotated Code of Maryland
18 (2016 Volume and 2023 Supplement)

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

21 **Article – Alcoholic Beverages and Cannabis**

22 1–322.

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) The purpose of the Fund is to provide funds to community-based
2 organizations that serve communities determined by the Office of Social Equity, in
3 consultation with the Office of the Attorney General, to have been the most impacted by
4 disproportionate enforcement of the cannabis prohibition before July 1, 2022.

5 (b) (1) Based on the percentage allocable to each county determined by the
6 Office of Social Equity and reported by the Office to the Comptroller on or before July 31
7 each year, the Comptroller shall distribute funds from the Fund to each county in an
8 amount that, for the period from July 1, 2002, to January 1, 2023, both inclusive, is
9 proportionate to the total number of cannabis possession charges in the county compared
10 to the total number of cannabis possession charges in the State.

11 **1-325.**

12 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
13 INDICATED.

14 (2) "COUNCIL" MEANS AN EQUITABLE COMMUNITY INVESTMENT
15 COUNCIL ESTABLISHED UNDER § 1-324 OF THIS SUBTITLE.

16 (3) "DISTRICT" MEANS A COMMUNITY REINVESTMENT IMPACT
17 DISTRICT.

18 (4) "FUNDS" MEANS FUNDS IN THE COMMUNITY REINVESTMENT AND
19 REPAIR FUND ESTABLISHED UNDER § 1-322 OF THIS SUBTITLE.

20 (B) SUBJECT TO SUBSECTIONS (C) AND (E) OF THIS SECTION, A COUNTY OR
21 A COUNCIL MAY DESIGNATE AN AREA IN THE COUNTY OR THE STATE LEGISLATIVE
22 DISTRICT REPRESENTED BY THE COUNCIL AS A COMMUNITY REINVESTMENT
23 IMPACT DISTRICT.

24 (C) AN AREA MAY BE DESIGNATED AS A DISTRICT IF THE AREA MEETS AT
25 LEAST FOUR OF THE FOLLOWING CRITERIA:

26 (1) THE AREA CONSISTS OF AT LEAST TWO CENSUS BLOCK GROUPS IN
27 WHICH AT LEAST THREE OF THE FOLLOWING APPLY:

28 (I) THE AVERAGE RATE OF UNEMPLOYMENT IS MORE THAN
29 DOUBLE THE AVERAGE RATE OF UNEMPLOYMENT IN THE COUNTY;

30 (II) AT LEAST 6% OF THE ADULT POPULATION WERE ON PAROLE
31 OR PROBATION DURING THE MOST RECENT 2-YEAR PERIOD FOR WHICH DATA IS
32 AVAILABLE;

1 (III) THE UNEMPLOYMENT RATE FOR ADULTS BETWEEN 18 AND
2 29 YEARS OF AGE IS AT LEAST 35% DURING THE MOST RECENT 2-YEAR PERIOD FOR
3 WHICH DATA IS AVAILABLE;

4 (IV) AT LEAST 50% OF THE ADULT POPULATION OVER 30 YEARS
5 OF AGE HAVE NOT GRADUATED FROM HIGH SCHOOL; OR

6 (V) THE AVERAGE HOUSEHOLD INCOME IS IN THE BOTTOM 20%
7 OF THE INCOME DISTRIBUTION IN THE STATE;

8 (2) THE AREA IS A CENSUS TRACT WITH AN INFANT MORTALITY RATE
9 THAT IS AT LEAST 9.5%;

10 (3) THE AREA IS A CENSUS TRACT THAT FALLS IN OR ABOVE THE 75TH
11 PERCENTILE FOR:

12 (I) EMERGENCY CALLS RELATED TO OVERDOSES; OR

13 (II) FATAL OVERDOSES;

14 (4) THE PROPORTION OF DRUG TREATMENT CLINICS TO POPULATION
15 IN THE AREA EXCEEDS THREE TIMES THE AVERAGE FOR ANY INDIVIDUAL CENSUS
16 TRACT; OR

17 (5) THE AREA HAS A HISTORY OF REDLINING OR HAS BEEN
18 CLASSIFIED AS HAZARDOUS BY THE HOME OWNERS' LOAN CORPORATION.

19 (D) A DISTRICT SHALL RECEIVE AT LEAST 20% OF THE FUNDS DISTRIBUTED
20 TO THE COUNTY OR THE COUNCIL FOR AT LEAST 5 YEARS AFTER THE DISTRICT IS
21 DESIGNATED IN ACCORDANCE WITH SUBSECTION (B) OF THIS SECTION.

22 (E) (1) A COUNTY OR A COUNCIL SHALL DEVELOP AND ADOPT A PLAN FOR
23 THE DISTRICT THAT:

24 (I) DEFINES THE SCOPE OF USAGE FOR FUNDS RECEIVED;

25 (II) IDENTIFIES PROPOSED PROGRAMMING AND SERVICES
26 BASED ON PROJECTED FUNDING; AND

27 (III) INCLUDES A BUDGET JUSTIFICATION STATEMENT.

28 (2) THE PLAN ADOPTED UNDER PARAGRAPH (1) OF THIS SUBSECTION
29 SHALL BE PUBLISHED AT LEAST:

1 **(I) 3 MONTHS BEFORE THE ESTABLISHMENT OF A DISTRICT;**
2 **AND**

3 **(II) 6 MONTHS BEFORE THE ANNUAL DISPERSAL OF FUNDS.**

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
5 1, 2024, contingent on the taking effect of Chapter ____ (S.B. 699) of the Acts of the General
6 Assembly of 2024, and if Chapter ____ (S.B. 699) does not become effective, this Act, with
7 no further action required by the General Assembly, shall be null and void.