



THE SENATE OF MARYLAND  
Annapolis, Maryland 21401

**Testimony of Senator Jill P. Carter**  
**In Favor of SB0622 – Community Reinvestment and Repair Fund -**  
**Funding (Maryland Reparations Act of 2024)**  
**Before the Budget and Taxation Committee**  
**On February 14<sup>th</sup> 2024**

**Mr. Chairman, Vice Chair, and Members of the Committee:**

**Senate Bill 0622 requires that a certain amount of revenue be used from the State individual income tax and Maryland estate tax to be distributed to the Community Reinvestment and Repair Fund. The Community Reinvestment and Repair Fund is a new fund to support communities of color that have been disproportionately affected by prior cannabis prohibition enforcement. The bill would increase the sales and use tax for cannabis from 9% to 14%.**

**Currently in Maryland the state charges 9% sales tax on recreational cannabis. By law, 35% of the proceeds are allocated to the Community Reinvestment and Repair Fund. In states like New York and Oregon, the sales tax on cannabis is between 13% and 17% to help support local services. Due to Maryland's small sales tax in comparison to other states, only 5% of state cannabis tax goes to local governments. This equates to only 45 cents for a single purchase of 100 dollars worth of cannabis which is the smallest amount in the nation.**

**This bill would open up more revenue specifically from income and estate tax, to increase the Community Reinvestment and Repair Fund. Out of all the counties in Maryland, Baltimore City has the highest proportion of cannabis charges in the last two decades. Since the 1970's, black individuals have been disproportionately targeted and arrested for drug possession, and the story still remains the same today. Back in 2019 a report found that 94% of 675 citations made were given to black people and in predominantly black neighborhoods.**

**Increasing cannabis sales tax and revenue from state income and estate tax, will ensure the restoration of communities like Baltimore city that have been harmed by the war on drugs. Thousands of communities need direct compensation to help bring more resources and opportunities.**

**As such I urge this committee to issue a favorable report on SB0622. Thank you for your time.**

**Sincerely,**

**Senator Jill P. Carter**