



BRANDON M. SCOTT
MAYOR

*Office of Government Relations
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SB0699

March 7, 2024

TO: Members of the Senate Finance Committee

FROM: Nina Themelis, Director of Mayor's Office of Government Relations

RE: SB0699: Senator Washington - Cannabis – Community Reinvestment and Repair Fund – Distribution and Use of Funds for Baltimore City

POSITION: OPPOSE

Chair Beidle, Vice Chair Klausmeier, and members of the Committee, please be advised that the Baltimore City Administration (BCA) **opposes** Senate Bill (SB) 699.

SB 699 would establish an Equitable Community Investment Council within each legislative district within the City of Baltimore. Each Council would include the senator from that district, a delegate from that district and up to 14 additional members appointed by the Governor of Maryland. Funding received from the Comptroller of Maryland from the Community Reinvestment and Repair Fund (the "Fund") would be sent to the Comptroller of Baltimore City and would then be equally split among the 5 Councils.

On July 17, 2023, Mayor Scott signed into law City Council Bill 23-0353, enacted as Ordinance 23-249, which established the Community Reinvestment and Reparations Commission. This Commission has been established in accordance with the Maryland Code – Alcoholic Beverages Subtitle which requires each county to "adopt a law establishing the purpose for which money received from the Fund may be used¹." Currently, the Mayor and City Council are in the process of appointing members to the Commission and the City of Baltimore recently received its first funding allocation from the Comptroller of Maryland for the first quarter of Fiscal Year 2024.

The BCA believes that the existing law that established the Community Reinvestment and Repair Fund is fair and balanced in the manner in which funding is allocated and allows for each jurisdiction to develop the parameters by which they will allocate and distribute funding. There are existing legislative mandates concerning the eligible uses for the funding as well as reporting requirements for expenditures. Baltimore City was one of the first, if not the first, jurisdiction to establish the required local law as required under State law and has been working diligently since that time to appoint members and begin meeting.

SB 699 would require the Governor to appoint a minimum of 65 members for this Commission alone. That requirement may place a significant burden on the Appointment Secretary and is unnecessary given the steps the BCA and City Council have already undertaken.

¹ Md. Code, AB § 1-322

Finally, the requirement to split the funding equally among the City's five legislative districts is inequitable. While the population within each legislative district may be approximately equal in number, there is disparity when seen through the lens of those communities disproportionately affected by prior cannabis prohibition enforcement. Given the allocation of the Community Reinvestment and Repair Fund by jurisdiction is based on this historic inequity, splitting this fund equally would be directly counter to the nature of the Fund that these Councils would be responsible for disbursing.

For these reasons, the BCA respectfully requests an unfavorable report on SB 699.