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SB 0732

February 26, 2026

TO: Members of the Senate Finance Committee

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

RE: Senate Bill 732: Cannabis - Community Reinvestment and Repair Fund -
Distribution and Use of Funds for Baltimore City

POSITION: OPPOSE

Chair Beidle, Vice Chair Hayes, and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **opposes** Senate Bill (SB) 732. SB 732 would create a separate process by which it receives funding from the Community Reinvestment and Repair Fund ("the Fund") and make it an outlier across the State. The process is also fundamentally at odds with the City's form and structure of government, as reflected in the City's Charter.

The Fund was established as a part of the Cannabis Reform Act of 2023 to provide funding to local jurisdictions to address the disproportionate impact that the enforcement of cannabis laws had on communities across the state. SB 732 would require that, for Baltimore City alone, the State Comptroller send funds to the Baltimore City Comptroller rather than to the jurisdiction directly, and that the Comptroller then distribute the funds. When the Cannabis Reform Act of 2023 was passed, all jurisdictions were required to adopt a law establishing the purpose for which money received from the Fund may be used. If SB 732 were to pass, the City of Baltimore would have to amend its local law that was previously passed to comply with the mandate previously established by the Maryland General Assembly.

This process conflicts with the City's Charter and foundational structure in a number of ways. First, the Comptroller is not a separate entity apart from the Mayor and City Council and Baltimore, so is not an appropriate direct recipient of State funds. *See* City Charter, Art. I, § 1 ("The inhabitants of the City of Baltimore are a corporation, by the name of the 'Mayor and City Council of Baltimore'"). Second, the Comptroller's Charter-prescribed duties do not encompass receiving funds on behalf of the City. *See* City Charter, Art. V, § 3 (defining the Comptroller's duties). Instead, that role is assigned to the City's Director of Finance. *See* City Charter, Art. VII, § 12(a) ("The Director [of Finance] shall receive, collect, and account for all moneys due the City"). Money received by the City is then spent only through the budget and appropriation process outlined in Sections 6 through 9 of Article VI of the Charter. Finally, under the previous State

legislation on this topic, the City's voters authorized a Charter amendment establishing a continuing, non-lapsing fund for the purpose of receiving disbursements from the Fund. SB 732's requirement for the Comptroller to establish a "special fund" to receive Fund disbursements thus conflicts with this portion of the City's Charter, too.

By circumventing these structures and processes outlined in the City's Charter, SB 732 violates Section 6 of Article 11-A of the Maryland Constitution, which only authorizes the City's voters—not the General Assembly—to make changes to the City's form and structure of government.

For these reasons, the BCA respectfully requests an **unfavorable** report on SB 732.