

SEIU Local 500 - Testimony in Support of SB 217 20

Uploaded by: Christopher Cano

Position: FAV



Testimony - SB 217, Community Reinvestment and Repair Fund - Alterations
Favorable

Senate Finance Committee

February 5, 2026

Christopher C. Cano, MPA

Director of Political & Legislative Affairs on Behalf of SEIU Local 500

Honorable Chairwoman Beidle & Members of the Senate Finance Committee:

SEIU Local 500 represents tens of thousands of workers across Maryland, including many who live in and serve communities that have borne the brunt of decades of over-policing, racialized enforcement, and mass criminalization—particularly related to the War on Drugs. Senate Bill 217 takes an important and necessary step toward repairing those harms through a restorative justice framework that centers equity, transparency, and community control.

For far too long, cannabis enforcement disproportionately targeted urban communities and communities of color, resulting in lost employment opportunities, family destabilization, economic disinvestment, and generational trauma. While cannabis legalization for adult-use in Maryland has ended many arrests, legalization alone does not undo the damage caused by decades of punitive policy. SB 217 rightly recognizes that reinvestment and repair must be intentional, accountable, and guided by the communities most impacted by over-policing.

This legislation strengthens the Community Reinvestment and Repair Fund by:

- Explicitly centering communities harmed by disproportionate cannabis enforcement;
- Ensuring funds are directed to community-based organizations with lived experience and demonstrated expertise;

- Prohibiting the use of funds for law enforcement activities, reinforcing that repair—not punishment—must be the goal; and
- Increasing transparency, stakeholder engagement, and oversight to ensure funds are used as intended.

SEIU Local 500 strongly supports the bill's emphasis on funding behavioral health services, workforce development, housing stability, youth programs, and support for individuals and families impacted by incarceration. These investments directly address the root causes and long-term consequences of over-policing and are essential to building safer, healthier, and more economically stable communities.

Importantly, SB 217 affirms that public safety is best achieved through opportunity, care, and community investment—not through continued surveillance or criminalization. By placing the administration of the Fund under the direction of the Office of Social Equity and requiring meaningful community consultation, this bill helps ensure that those most harmed by past policies have a real voice in shaping the path forward.

SB 217 moves Maryland closer to a model of justice that is restorative rather than punitive, and equitable rather than extractive. For these reasons, SEIU Local 500 urges the Committee to issue a favorable report on Senate Bill 217.

Thanks to Senator Mary Washington for her commitment to advancing equity and justice in Maryland.

Thank you for your time and consideration.

Christopher C. Cano, MPA
Director of Political & Legislative Affairs
SEIU Local 500

Testimony in support of SB0217 - Community Reinvest

Uploaded by: Richard KAP Kaplowitz

Position: FAV

SB0217_RichardKaplowitz_FAV

02/05/2026

Richard Keith Kaplowitz

Frederick, MD 21703

TESTIMONY ON SB#/0217- POSITION: FAVORABLE

Community Reinvestment and Repair Fund – Alterations

TO: Chair Beidle, Vice Chair Hayes, and members of the Finance Committee

FROM: Richard Keith Kaplowitz

My name is Richard Keith Kaplowitz. I am a resident of District 3, Frederick County. I am submitting this testimony in support of SB#/0217, **Community Reinvestment and Repair Fund – Alterations**

This bill gives an opinion that Maryland should remedy harms caused to communities affected during the criminalization of cannabis. It will declare that “the General Assembly therefore finds that the public interest is served by:

- (1) acknowledging and repairing the causes and consequences of disparities in arrests and imprisonment in prosecutions of cannabis–related offenses among specific populations and geographic regions;
- (2) developing, among existing members of communities that have been disproportionately and negatively impacted, the capacity to ascertain and address the social and economic determinants that are fundamental to reducing the impact of longstanding inequities and improving economic, educational, and health outcomes; and
- (3) being consistent with social equity principles and governance by allocating a significant portion of tax revenue from the adult–use cannabis market to the Community Reinvestment and Repair Fund for distribution to local jurisdictions to be administered by the local jurisdictions.”

The bill meets these declarations by altering the purpose of the Community Reinvestment and Repair Fund; requiring the Comptroller to administer the Fund at the direction of the Office of Social Equity; altering requirements for a certain county plan for the distribution of funds from the Fund; requiring a county to consult with the Office to make any adjustments to the county plan; altering the requirements for a certain report on the Fund; requiring the Comptroller, in consultation with the Office, to ensure compliance with provisions of law governing the Fund; etc.

I respectfully urge this committee to return a favorable report on SB#/0217.

SB 217_FAV_Written Testimony (1).pdf

Uploaded by: Selena Rawlley

Position: FAV



February 5, 2026

The Honorable Pamela Beidle
Chair, Senate Finance Committee
3 East Miller Senate Office Building
Annapolis, Maryland 21401

SB0217 – Community Reinvestment and Repair Fund – Alterations
FAVORABLE

Dear Chair Beidle, Vice Chair Hayes, and Members of the Senate Finance Committee:

I am writing on behalf of the Maryland Cannabis Administration (MCA) in SUPPORT of SB0217 – Community Reinvestment and Repair Fund – Alterations.

The Community Reinvestment and Repair Fund (CRRF) channels cannabis tax revenues into communities disproportionately harmed by past cannabis enforcement. SB0217 improves oversight of the fund by clarifying administrative responsibilities, strengthening county planning standards, and increasing coordination between counties and the Office of Social Equity.

The bill offers clearer direction on how counties identify impacted communities and use CRRF funds. By requiring counties to explain how proposed spending fits within authorized purposes, the legislation enhances transparency and accountability while preserving local flexibility. Mandating consultation with the Office of Social Equity in the development and revision of CRRF plans also supports consistency across jurisdictions and keeps reinvestment efforts focused on remedying the long-term effects of cannabis criminalization. That said, MCA notes the bill does not provide additional funding to support the staffing or administrative capacity needed to implement these requirements.

For these reasons, the Maryland Cannabis Administration supports Senate Bill 0217 and respectfully urges the Committee to issue a favorable report. Should the Committee have any questions or concerns, please contact me at Tabatha.Robinson@maryland.gov, or Selena Rawlley, Deputy Chief of Legislative Affairs, at Selena.Rawlley@maryland.gov.

Sincerely,
Tabatha Robinson
Director
Maryland Cannabis Administration

SB217_FinalReprint

Uploaded by: Senator Mary Washington

Position: FAV

SENATE BILL 217

A3, P1

(PRE-FILED)

6lr1545
CF 6lr1863

By: **Senator M. Washington**
Requested: October 31, 2025
Introduced and read first time: January 14, 2026
Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Community Reinvestment and Repair Fund – Alterations**

3 FOR the purpose of altering the purpose of the Community Reinvestment and Repair Fund;
4 requiring the Comptroller to administer the Fund at the direction of the Office of
5 Social Equity; altering requirements for a certain county plan for the distribution of
6 funds from the Fund; requiring a county to consult with the Office to make any
7 adjustments to the county plan; altering the requirements for a certain report on the
8 Fund; ~~requiring the Comptroller, in consultation with the Office, to ensure~~
9 ~~compliance with provisions of law governing the Fund;~~ altering certain uses of the
10 money distributed from the Fund by a county; and generally relating to the
11 Community Reinvestment and Repair Fund.

12 BY repealing and reenacting, with amendments,
13 Article – Alcoholic Beverages and Cannabis
14 Section 1–3A–01 and 1–3A–03
15 Annotated Code of Maryland
16 (2024 Replacement Volume and 2025 Supplement)

17 BY repealing and reenacting, without amendments,
18 Article – Alcoholic Beverages and Cannabis
19 Section 1–3A–02(b)
20 Annotated Code of Maryland
21 (2024 Replacement Volume and 2025 Supplement)

22 BY adding to
23 Article – Alcoholic Beverages and Cannabis
24 Section 1–3A–04
25 Annotated Code of Maryland
26 (2024 Replacement Volume and 2025 Supplement)

2 **REPRINT OF SENATE BILL 217 as amended by SB0217/203427/1 02/05/26 at 8:45 AM**

1 BY repealing and reenacting, with amendments,
2 Article – State Government
3 Section 9–4108
4 Annotated Code of Maryland
5 (2021 Replacement Volume and 2025 Supplement)

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

8 **Article – Alcoholic Beverages and Cannabis**

9 1–3A–01.

10 (a) In this subtitle the following words have the meanings indicated.

11 (b) “Executive Director” means the Executive Director of the Office of Social
12 Equity.

13 (c) “Fund” means the Community Reinvestment and Repair Fund.

14 (d) “Office” means the Office of Social Equity **ESTABLISHED UNDER § 9–4108**
15 **OF THE STATE GOVERNMENT ARTICLE.**

16 1–3A–02.

17 (b) The General Assembly therefore finds that the public interest is served by:

18 (1) acknowledging and repairing the causes and consequences of
19 disparities in arrests and imprisonment in prosecutions of cannabis–related offenses
20 among specific populations and geographic regions;

21 (2) developing, among existing members of communities that have been
22 disproportionately and negatively impacted, the capacity to ascertain and address the
23 social and economic determinants that are fundamental to reducing the impact of
24 longstanding inequities and improving economic, educational, and health outcomes; and

25 (3) being consistent with social equity principles and governance by
26 allocating a significant portion of tax revenue from the adult–use cannabis market to the
27 Community Reinvestment and Repair Fund for distribution to local jurisdictions to be
28 administered by the local jurisdictions.

29 1–3A–03.

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

31 (2) The purpose of the Fund is:

3 REPRINT OF SENATE BILL 217 as amended by SB0217/203427/1 02/05/26 at 8:45 AM

1 (I) to provide funds to community-based organizations that serve
2 communities determined by the Office, in consultation with the Office of the Attorney
3 General, to have been the most impacted by disproportionate enforcement of the cannabis
4 prohibition before July 1, 2022; AND

5 (II) TO SERVE THE PUBLIC INTEREST STATED UNDER §
6 1-3A-02(B) OF THIS SUBTITLE.

7 (3) The Comptroller shall administer the Fund AT THE DIRECTION OF
8 THE OFFICE.

9 (4) (i) The Fund is a special, nonlapsing fund that is not subject to §
10 7-302 of the State Finance and Procurement Article.

11 (ii) The State Treasurer shall hold the Fund separately, and the
12 Comptroller shall account for the Fund.

13 (5) The Fund consists of:

14 (i) sales and use tax revenue distributed to the Fund under §
15 2-1302.2 of the Tax – General Article;

16 (ii) conversion fees paid by businesses under § 36-403 of this article;
17 and

18 (iii) any other money from any other source accepted for the benefit
19 of the Fund, in accordance with any conditions adopted by the Comptroller for the
20 acceptance of donations or gifts to the Fund.

21 (6) (i) The Fund [may] SHALL be used only [for:

22 1. funding community-based initiatives intended to benefit
23 low-income communities, including:

24 A. behavioral health crisis response services;

25 B. education and after-school programs;

26 C. truancy and absenteeism intervention programs;

27 D. housing and homelessness prevention initiatives;

28 E. transportation improvements in high-density areas that
29 have public transportation;

30 F. job training and workforce development programs;

4 REPRINT OF SENATE BILL 217 as amended by SB0217/203427/1 02/05/26 at 8:45 AM

1 G. community child care and recreational services; and

2 H. programs that benefit individuals and families impacted
3 by incarceration;

4 2. funding community-based initiatives that serve
5 disproportionately impacted areas, as defined in § 36-101 of this article; and

6 3. any related administrative expenses incurred by a local
7 government in administering the funds that do not exceed 15% of the funds received in the
8 fiscal year.

9 (ii) Money may not be expended from the Fund for law enforcement
10 agencies or activities.

11 (iii) Money expended from the Fund is supplemental to and may not
12 supplant funding that otherwise would be appropriated for preexisting local government
13 programs] **AS PROVIDED UNDER § 1-3A-04 OF THIS SUBTITLE.**

14 (7) (i) The State Treasurer shall invest the money of the Fund in the
15 same manner as other State money may be invested.

16 (ii) Any interest earnings of the Fund shall be credited to the
17 General Fund of the State.

18 (8) No part of the Fund may revert or be credited to:

19 (i) the General Fund of the State; or

20 (ii) any other special fund of the State.

21 (9) The Comptroller shall pay out money from the Fund.

22 (10) The Fund is subject to audit by the Office of Legislative Audits as
23 provided for in § 2-1220 of the State Government Article.

24 (b) (1) Based on the percentage allocable to each county determined by the
25 Office, the Comptroller shall distribute funds from the Fund to each county in an amount
26 that, for the period from July 1, 2002, to January 1, 2023, both inclusive, is proportionate
27 to the total number of cannabis possession charges in the county compared to the total
28 number of cannabis possession charges in the State.

29 (2) For any distribution of funds to a county under paragraph (1) of this
30 subsection, the county shall hold the funds separately from other revenue and general
31 funds.

5 REPRINT OF SENATE BILL 217 as amended by SB0217/203427/1 02/05/26 at 8:45 AM

1 (3) Subject to the limitations under [subsection (a)(6) of this section] §
2 ~~1-3A-04~~ OF THIS SUBTITLE, each county shall adopt a law establishing the purpose for
3 which money received from the Fund may be used.

4 (c) (1) IN THIS SUBSECTION, “STAKEHOLDER” MEANS:

5 (I) AN INDIVIDUAL WHO RESIDES IN OR REPRESENTS A
6 COMMUNITY IDENTIFIED BY THE OFFICE AS HAVING BEEN DISPROPORTIONATELY
7 IMPACTED BY CANNABIS ENFORCEMENT;

8 (II) A COMMUNITY-BASED ORGANIZATION THAT SERVES OR IS
9 LED BY RESIDENTS OF A COMMUNITY IDENTIFIED BY THE OFFICE AS HAVING BEEN
10 DISPROPORTIONATELY IMPACTED BY CANNABIS ENFORCEMENT; OR

11 (III) ANY OTHER INDIVIDUAL OR COMMUNITY-BASED
12 ORGANIZATION THAT HAS A DEMONSTRATED EXPERIENCE OR EXPERTISE IN
13 ADDRESSING THE SOCIAL, ECONOMIC, OR HEALTH HARMS CAUSED BY CANNABIS
14 CRIMINALIZATION.

15 (2) The Office shall require each county to develop a plan for the
16 distribution of funds [to community-based organizations for use] in accordance with this
17 section.

18 [(2)] (3) The plan developed by a county shall be:

19 (i) established before distributing funds under this section;

20 (ii) developed in consultation with stakeholders; [and]

21 (iii) the subject of a public hearing before finalizing the plan; AND

22 (IV) MADE PUBLICLY AVAILABLE.

23 (4) A COUNTY PLAN UNDER THIS SUBSECTION SHALL:

24 (I) IDENTIFY THE GEOGRAPHIC AREAS AND POPULATIONS
25 WITHIN THE COUNTY DETERMINED TO HAVE BEEN MOST IMPACTED BY THE
26 DISPROPORTIONATE ENFORCEMENT OF CANNABIS LAWS; AND

27 (II) DESCRIBE HOW THE PROPOSED USES OF FUNDS ARE
28 CONSISTENT WITH THE FUND USES ESTABLISHED UNDER § 1-3A-04 OF THIS
29 SUBTITLE.

6 REPRINT OF SENATE BILL 217 as amended by SB0217/203427/1 02/05/26 at 8:45 AM

1 (5) EACH COUNTY SHALL CONSULT WITH THE OFFICE TO MAKE ANY
2 ADJUSTMENTS TO A PLAN DEVELOPED UNDER THIS SECTION.

3 [(3)] (6) On or before October 1, 2025, the Office shall adopt regulations
4 to carry out this section.

5 (d) On or before October 1, 2026, and each October 1 thereafter, each county shall
6 submit a report to the Office [on] THAT INCLUDES:

7 (1) the amount of funds received from the Fund under subsection (b)(1) of
8 this section;

9 (2) the [organizations] ENTITIES that received funding from the county
10 under this section;

11 (3) the methods used by the county to solicit, review, and select
12 [organizations] ENTITIES that may be eligible for funding under this section; [and]

13 (4) THE administrative expenses related to the county's administration
14 and distribution of the funds received under subsection (b)(1) of this section; AND

15 (5) DATA ON THE POPULATIONS SERVED AND SERVICES PROVIDED.

16 ~~(E) THE COMPTROLLER, IN CONSULTATION WITH THE OFFICE, SHALL~~
17 ~~ENSURE COMPLIANCE WITH THIS SUBTITLE.~~

18 1-3A-04.

19 (A) MONEY DISTRIBUTED FROM THE FUND UNDER § 1-3A-03(B) OF THIS
20 SUBTITLE SHALL BE USED BY A COUNTY TO FUND:

21 (1) COMMUNITY-BASED INITIATIVES INTENDED TO BENEFIT
22 LOW-INCOME COMMUNITIES IN GEOGRAPHIC AREAS MOST IMPACTED BY THE
23 DISPROPORTIONATE ENFORCEMENT OF CANNABIS LAWS; AND

24 (2) PROGRAMS OR PROJECTS THAT ADVANCE THE STATED PURPOSES
25 OF THE FUND UNDER § 1-3A-03(A)(2) OF THIS SUBTITLE, INCLUDING:

26 (I) BEHAVIORAL HEALTH CRISIS RESPONSE SERVICES;

27 (II) EDUCATION AND AFTER-SCHOOL PROGRAMS;

28 (III) TRUANCY AND ABSENTEEISM INTERVENTION PROGRAMS;

7 REPRINT OF SENATE BILL 217 as amended by SB0217/203427/1 02/05/26 at 8:45 AM

1 (IV) HOUSING AND HOMELESSNESS PREVENTION INITIATIVES;

2 (V) TRANSPORTATION IMPROVEMENTS IN HIGH-DENSITY
3 AREAS THAT HAVE PUBLIC TRANSPORTATION;

4 (VI) JOB TRAINING AND WORKFORCE DEVELOPMENT
5 PROGRAMS;

6 (VII) COMMUNITY CHILD CARE AND RECREATIONAL SERVICES;
7 AND

8 (VIII) PROGRAMS THAT BENEFIT INDIVIDUALS AND FAMILIES
9 IMPACTED BY INCARCERATION;

10 (3) COMMUNITY-BASED INITIATIVES THAT SERVE
11 DISPROPORTIONATELY IMPACTED AREAS, AS DEFINED IN § 36-101 OF THIS
12 ARTICLE; AND

13 (4) ANY RELATED ADMINISTRATIVE EXPENSES INCURRED BY A LOCAL
14 GOVERNMENT IN ADMINISTERING THE FUNDS THAT DO NOT EXCEED 15% OF THE
15 FUNDS RECEIVED IN THE FISCAL YEAR.

16 (B) MONEY MAY NOT BE EXPENDED FROM THE FUND FOR LAW
17 ENFORCEMENT AGENCIES OR ACTIVITIES.

18 (C) MONEY EXPENDED FROM THE FUND SHALL BE SUPPLEMENTAL TO AND
19 MAY NOT SUPPLANT FUNDING THAT OTHERWISE WOULD BE APPROPRIATED FOR
20 PREEXISTING LOCAL GOVERNMENT PROGRAMS.

21 **Article – State Government**

22 9-4108.

23 (a) There is an Office of Social Equity within the Department.

24 (b) (1) The Governor shall appoint an Executive Director of the Office of Social
25 Equity.

26 (2) The Executive Director of the Office of Social Equity shall have at least
27 5 years of experience in civil rights advocacy, civil rights litigation, or another area of social
28 justice.

29 (c) The Office of Social Equity may employ staff and retain contractors as may be
30 required to carry out the functions of the Office.

8 REPRINT OF SENATE BILL 217 as amended by SB0217/203427/1 02/05/26 at 8:45 AM

1 (d) The Office of Social Equity shall:

2 (1) promote and encourage full participation in the regulated cannabis
3 industry by people from communities that have previously been disproportionately
4 impacted by the war on drugs in order to positively impact those communities;

5 (2) [With the assistance of the Comptroller, oversee] **DIRECT THE**
6 **ADMINISTRATION OF** the Community Reinvestment and Repair Fund under § 1-3A-03 of
7 the Alcoholic Beverages and Cannabis Article;

8 (3) consult with and assist the Department of Commerce in the
9 administration of the Cannabis Business Assistance Fund under § 5-1901 of the Economic
10 Development Article;

11 (4) identify and oppose regulations that unnecessarily burden or
12 undermine the legislative intent of the Office, including regulations that impose undue
13 restrictions or financial requirements;

14 (5) oversee the appropriation of funds and the training of recipients of
15 funds from the Community Reinvestment and Repair Fund under § 1-3A-03 of the
16 Alcoholic Beverages and Cannabis Article;

17 (6) provide recommendations to the Maryland Cannabis Administration on
18 regulations related to:

19 (i) diversity; and

20 (ii) social equity applications;

21 (7) work with the Maryland Cannabis Administration to implement free
22 technical assistance for social equity and minority cannabis business applicants;

23 (8) produce reports and recommendations on diversity and equity in
24 ownership, management, and employment in the legal cannabis economy; and

25 (9) assist businesses with obtaining financing through the Capital Access
26 Program under Title 36, Subtitle 14 of the Alcoholic Beverages and Cannabis Article.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 October 1, 2026.

SB217_SponsorAmendent

Uploaded by: Senator Mary Washington

Position: FAV



SB0217/203427/1

AMENDMENTS
PREPARED
BY THE
DEPT. OF LEGISLATIVE
SERVICES

05 FEB 26
08:46:06

BY: Senator M. Washington
(To be offered in the Finance Committee)

AMENDMENTS TO SENATE BILL 217
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with “requiring” in line 8 down through “Fund;” in line 9.

AMENDMENT NO. 2

On page 6, strike in their entirety lines 16 and 17.

SB217_SponsorTestimony

Uploaded by: Senator Mary Washington

Position: FAV

MARY L. WASHINGTON, PH.D
Legislative District 43
Baltimore City and Baltimore County



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James Senate Office Building
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Education, Energy, and the
Environment Committee

Subcommittees

Chair, Education

Environment

Joint Committees

Senate Chair, Administrative, Executive,
and Legislative Review

The Chesapeake and Atlantic Coastal
Bays Critical Areas

Chair, Baltimore City Senate Delegation

THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Written Testimony of Senator Mary Washington
Finance Committee
February 5, 2026

SUPPORT - Senate Bill 217
Community Reinvestment and Repair Fund - Alterations

Distinguished Members of the Finance Committee,

I respectfully urge your support for Senate Bill 217. This bill makes targeted, corrective improvements to the accountability and transparency of the Community Reinvestment and Repair Fund (CRRF) to ensure the Fund operates as the General Assembly intended and delivers meaningful benefits to Maryland's most impacted communities.

Under the Cannabis Reform Act of 2023, sales and use tax revenue from adult-use cannabis is distributed quarterly pursuant to a statutory formula. Twenty-five percent is deposited directly into the State's General Fund. From the remaining revenue, funds are first used to defray the full cost of operations and administrative expenses of the Maryland Cannabis Administration and the Office of Social Equity.

After those required costs are covered, the statute directs fixed percentage distributions of the remaining revenue. Five percent is allocated to counties based on where cannabis sales occur, five percent to the Cannabis Public Health Fund, and five percent to the Cannabis Business Assistance Fund, which sunsets in 2028. Notably, 35% is allocated to the Community Reinvestment and Repair Fund, a significantly larger share than any other designated fund.

At the time of its creation, statutory requirements governing the CRRF were relatively limited. The Fund was authorized to support community-based initiatives that benefit low-income communities and communities disproportionately impacted by the enforcement of cannabis prohibition, as well as related administrative expenses. While this flexibility was intentional, it also meant that, unlike other funds, the CRRF lacked detailed guardrails to guide implementation.

Last year, through Chapter 195, the Committee and General Assembly took initial steps to establish an accountable framework for the Community Reinvestment and Repair Fund. The goal was to ensure CRRF dollars are supplemental, targeted, and responsive to communities significantly harmed by past cannabis enforcement by providing the General Assembly with the fund's legislative intent. Additionally, we clarified oversight roles for the Office of Social Equity, required county spending plans and reporting, established advisory bodies, and defined eligible uses.

It has always been the General Assembly's intent that the CRRF serve as a supplemental reinvestment tool, not a substitute for existing funding streams. However, some jurisdictions have proposed using CRRF funds to support programs traditionally funded through ongoing State or federal sources, including baseline social services. This approach risks turning the CRRF into a replacement funding stream rather than a true reinvestment mechanism.

In addition, allocations have at times been directed to government agencies that already receive public funding, rather than through community-driven reinvestment processes. In at least one instance, a significant share of CRRF funds was absorbed into existing government operations, blurring the line between reparative reinvestment and general budgeting.

Oversight and public engagement also vary widely across counties. Some jurisdictions have developed strong and transparent community engagement strategies, while others rely primarily on executive or budget offices with limited community input. Several counties have accumulated substantial CRRF balances but have spent little or none of the funds to date.

Taken together, these trends risk diluting legislative intent, weakening the Fund's impact on the communities most disproportionately harmed by cannabis enforcement, and undermining public confidence in the stewardship of these dollars. Without clearer statutory direction, CRRF funds could drift from targeted reinvestment toward general-purpose spending, depriving affected communities of the meaningful benefits the General Assembly intended.

Senate Bill 217 responds directly to these challenges by:

- Requiring consultation with the Office of Social Equity before counties amend their spending plans;
- Reinforcing that CRRF dollars must supplement, not supplant, existing funding streams; and
- Strengthening compliance and accountability to ensure expenditures align with statutory intent.

These provisions do not establish new policy goals. Rather, they are measured course corrections designed to ensure that the framework enacted by the General Assembly functions as intended.

Thank you for your consideration of this important legislation. I respectfully request a favorable report. Should you have any questions or seek additional information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mary Washington". The signature is fluid and cursive, with a large loop at the end.

Senator Mary Washington
Maryland State Senate, District 43

SB0217 Testimony .pdf

Uploaded by: Audrey Johnson

Position: FWA



February 5, 2025

Honorable Chair Senator Pamela Beidle
MGA Senate Finance Committee
3 East Miller Senate Office Building
Annapolis, Maryland 21401

Testimony in Support of Senate Bill 0217

Chair Beidle, Vice Chair Hayes, and Members of the Senate Finance Committee,

The Office of Social Equity respectfully submits this testimony in support of Senate Bill 0217,
Community Reinvestment and Repair Fund – Alterations

The Community Reinvestment and Repair Fund is a critical mechanism for reinvesting cannabis tax revenue into communities most harmed by past cannabis enforcement. Senate Bill 0217 strengthens the administration of the fund by clarifying roles, reinforcing county planning requirements, and improving coordination between counties and the Office of Social Equity.

Senate Bill 0217 provides counties with clearer guidance on identifying impacted communities and on allowable uses of CRRF resources. By requiring counties to clearly articulate how proposed expenditures align with authorized uses, the bill promotes transparency and accountability while preserving flexibility to address local priorities. The requirement that counties consult with the Office of Social Equity when developing or updating local CRRF plans will help ensure reinvestment efforts remain consistent statewide and centered on addressing the long-term harms of cannabis criminalization.

The Office of Social Equity notes that the bill expands its advisory role in supporting counties' CRRF planning efforts. We support this expanded role and believe it will strengthen implementation. At the same time, the bill does not currently include additional resources to support the staffing or administrative capacity necessary to carry out these responsibilities. We look forward to continued discussions around aligning resources to support the effective implementation of this important work.

For these reasons, the Office of Social Equity supports Senate Bill 0217 and respectfully urges the Committee to issue a favorable report. Thank you for your time and consideration.

Should you have any questions, please contact me at audrey.johnson@maryland.gov or Courtney Davis, Deputy Director, at courtney.davis@maryland.gov.

Sincerely,
Audrey Johnson
Executive Director
Office of Social Equity

SB0217-FIN_MACo_SWA.pdf

Uploaded by: Karrington Anderson

Position: FWA



Senate Bill 217

Community Reinvestment and Repair Fund - Alterations

MACo Position: **SUPPORT**
WITH AMENDMENTS

To: Finance Committee

Date: February 5, 2026

From: Karrington Anderson

The Maryland Association of Counties (MACo) **SUPPORTS SB 217 WITH AMENDMENTS**. This bill modifies the Community Reinvestment and Repair Fund (CRRF) by expanding the requirements for county plans. Additionally, SB 217 requires counties to consult with the Office of Social Equity on plan changes and report data on populations served and services provided.

MACo appreciates the bill's intent to clarify expectations and improve alignment with the Office of Social Equity (OSE). Counties are committed to transparency and accountability and do not object to reporting requirements that demonstrate how funds are being used to advance the Fund's core objectives. Counties are already taking meaningful steps to ensure that CRRF dollars are allocated equitably and effectively.

That said, several jurisdictions have not yet received funding or have been unable to expend funds locally due to unclear statutory definitions and restrictive eligibility criteria, particularly around what constitutes "low-income" communities and where, if at all, funds may be authorized for use. To date, counties have not received sufficient clarity, which has created uncertainty and delayed meaningful investments in communities.

SB 217 would require county plans to identify specific geographic areas and populations most affected by disproportionate enforcement of cannabis laws and to report data on populations served and services provided. While counties support the goal of demonstrating impact, overly rigid or narrow reporting requirements could create compliance problems and unintentionally restrict service delivery. Many community-based organizations serve overlapping populations that cannot be easily disaggregated, and programs often evolve over time in response to local needs. Static or highly specific reporting mandates risk becoming outdated quickly, leading to administrative burden, inaccurate or misleading data, and potential chilling effects on partnerships with community organizations.

Counties are already required to adopt local laws to implement CRRF programs and to ensure consistency with statutory requirements. MACo's proposed amendment would clarify that reporting to OSE should allow for reasonable flexibility where jurisdictions cannot narrowly define service populations or geographic boundaries, while still meeting the bill's underlying intent. This approach

ensures accountability without limiting counties' ability to adapt programs, respond to community input, or address emerging needs.

Counties remain committed to maximizing the impact of CRRF dollars and ensuring they reach communities most harmed by past cannabis enforcement. By preserving local flexibility and providing clearer guidance, SB 217 can better support effective, timely, and equitable use of these funds.

For these reasons, MACo respectfully requests a **FAVORABLE WITH AMENDMENTS** report for SB 217.

MACo Amendments for SB 217:

On page 5, in line 24, strike "GEOGRAPHIC" through "AND".

On page 6, in line 15, strike "5" through "PROVIDED".

SB0217-FIN-SWA .pdf

Uploaded by: Nina Themelis

Position: FWA



BRANDON M. SCOTT
MAYOR

*Office of Government Relations
88 State Circle
Annapolis, Maryland 21401*

SB0217

February 5, 2026

TO: Members of the Finance Committee
FROM: Nina Themelis, Director of the Mayor's Office of Government Relations
RE: Senate Bill 217 - Community Reinvestment and Repair Fund - Alterations

POSITION: FAVORABLE WITH AMENDMENTS

Chair Beidle, Vice Chair Hayes and members of the committee, please be advised that the Baltimore City Administration (BCA) **supports with amendments** Senate Bill (SB) 0217.

SB 217 would change several elements of the way that the Community Reinvestment and Repair Fund ("the Fund") is disbursed, the purposes and uses of the Fund, which entity is responsible for administering the Fund, which types of entities may receive funding, and what categories of use would qualify for funding.

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. The Office of Social Equity was required to conduct an annual statewide survey to recommend the categories of use for the Fund. SB 217 mandates that jurisdictions use their portion of funding for specific categories as defined within the legislation such as housing and homelessness prevention, transportation improvements, community child care and recreational services, programs that would benefit individuals and families impacted by incarceration, and other purposes.

The BCA supports the changes proposed in SB 217 that would no longer require that all funding be directed to community-based organizations and that local jurisdictions would have more latitude in determining how funding should be disbursed, however, we do not believe that there should still be such stringent limits on how funding must be allocated. Local jurisdictions receive such a small proportion of revenue derived from the cannabis tax and should be able to determine how those funds are best spent within the jurisdiction so long as those uses support the intent of the Fund and those uses are accounted for within the planning and reporting requirements. While the BCA has no concerns with the additional reporting requirements as outlined in the bill, the additional analysis and data collection may slightly increase the operational and administrative costs to the City. We look forward to further collaborating with the Office of Social Equity on the disbursement of the Fund.

For these reasons, the BCA respectfully requests a **favorable with amendments** report on SB 217.