

SB0732-FIN-OPP.pdf

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Position: UNF



BRANDON M. SCOTT
MAYOR

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

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.

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Position: INFO



Governor Wes Moore

Lt. Governor Aruna Miller

Secretary Walter L. Simmons

Bill Number: Senate Bill 732

Title: Cannabis – Community Reinvestment and Repair Fund – Distribution and Use of Funds for Baltimore City

Committee: Finance Committee

Hearing Date: February 26, 2026

Position: Letter of Information

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

The Office of Social Equity (OSE) submits this letter of information regarding Senate Bill 0732. SB 0732 includes provisions affecting the administration of the Community Reinvestment and Repair Fund (CRRF), including mechanisms that distinguish Baltimore City from other counties.

Specifically, the bill directs that CRRF funds allocable to Baltimore City be distributed to the Baltimore City Comptroller and requires Baltimore City to maintain a dedicated CRRF account under the Comptroller’s supervision.

These provisions create differences in fund administration between Baltimore City and other jurisdictions. Such distinctions could have operational implications for OSE, including coordination with the Baltimore City Comptroller’s office and monitoring of separate accounts. Additionally, the unique structure for Baltimore City may have implications for equitable distribution of CRRF resources across jurisdictions.

OSE notes that maintaining operational alignment and statutory uniformity across jurisdictions is important to ensuring transparency, consistent oversight, and equitable implementation of CRRF statewide.

OSE provides this information to assist the Committee in evaluating SB 0732. Should you wish to discuss this matter further, please contact me at (443) 610-1666 or audrey.johnson1@maryland.gov, or Courtney Davis, Deputy Director, at (443) 610-1730 or courtney.davis@maryland.gov.

Audrey Johnson

A handwritten signature in black ink, appearing to read "Audrey Johnson", written in a cursive style.

Executive Director, Office of Social Equity