



**TITLE SENATE BILL:** SB 61 - Division of Correction - Release Preparation Program

**COMMITTEE:** Senate Judicial Proceedings, Chair Smith

**DATE:** January 28, 2026

**POSITION:** Letter of Information

**SUMMARY OF BILL:** SB 61/HB 108 establishes the Release Preparation Program in the Division of Correction and alters the purpose and distribution of the Cannabis Regulation and Enforcement Fund (CREF) to include providing funds to cover the costs of supporting the new program.

**INFORMATION:** Given the CREF's distribution structure defined in MD Code, Tax - General, § 2-1302.2., the distribution proposed in SB 61/HB 108 would not have a direct fiscal impact on the operations of the Maryland Cannabis Administration (MCA). However, the proposed distribution changes present foreseeable negative downstream fiscal impacts on the State's General Fund (GF), Community Reinvestment and Repair Fund (CRRF), the Cannabis Public Health Fund (CPHF), the Cannabis Business Assistance Fund (CBAF), the Office of Social Equity (OSE), and the Social Equity Partnership Program (SEPP). SB 61/HB 108 does not distribute a specified amount to the new Release Preparation Program – a program which does not presently exist and does not have a clearly accessible projected operational budget from the Department of Public Safety and Correctional Services (DPSCS) – which proves difficult to quantifiably estimate these impacts. Given the forecasted deficits as well as significant uncertainty regarding the federal budget and policy changes, it would be challenging for the State to manage this increase in CREF expenditure, especially without a clear understanding of programmatic costs. This challenge is compounded by major, unforeseen changes in federal policy and other ongoing budgetary pressures.

**CONCLUSION:** While SB 61/HB 108 does not directly impact the operational capacity of the MCA, in light of current projected general fund deficits in fiscal 2027 and beyond, the Administration wishes to provide context to demonstrate the significant fiscal impacts of CREF expenditure on the State's General Fund.