

PRINCE GEORGE'S COUNCIL

Budget & Policy Analysis Division

March 11, 2025

FISCAL AND POLICY NOTE

TO: Jennifer A. Jenkins

Council Administrator

Colette R. Gresham, Esq. Deputy Council Administrator

THRU: Josh Hamlin

Director of Budget and Policy Analysis

FROM: Roger G. Banegas

Legislative Budget and Policy Analyst

RE: Policy Analysis and Fiscal Impact Statement

CB-011-2025 Cannabis Reinvestment and Restoration Board

CB-011-2025 (Proposed and Presented by: Council Members Ivey and Hawkins)

Assigned to the Government Operations and Fiscal Policy (GOFP) Committee

AN ACT CONCERNING THE CANNABIS REINVESTMENT AND RESTORATION BOARD for the purpose of increasing the size of the Cannabis Reinvestment and Restoration Board; providing appointing authority to at-large Council members; and setting the initial term of members appointed by an at-large Council member.

Fiscal Summary

Direct Impact:

Expenditures: No additional expenditures are likely.

Revenues: No anticipated revenue impact.

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Indirect Impact:

Likely favorable.

Legislative Summary:

CB-011-2025¹, proposed and presented by Council Members Ivey and Hawkins was introduced on February 18, 2025, and referred to the Government Operations and Fiscal Policy (GOFP) Committee. This expands the size of the Cannabis and Restoration Board (Board) from 13 to 15 members, adding one appointee for each at-large Council member. These two new members will serve an initial term of four years.

Background/Current Law:

The State of Maryland established the Community Reinvestment and Repair Fund (CRRF) with House Bill 837² which was subsequently moved and amended by House Bill 556.³ The fund was established on July 1, 2023, under the Code of Maryland Alcoholic Beverages and Cannabis Article, §1-322.⁴ This fund will serve as the primary funding source for the County's Community Reinvestment and Restoration Commission.

CB-088-2023⁵ established the Cannabis Reinvestment and Restoration Committee and the Community Reinvestment and Repair Special Revenue Fund to receive and distribute funds from the State's Community Reinvestment and Repair Fund to areas that cannabis-related practices have heavily impacted. The Board receives applications and recommends awards to the County Council for funds from the Cannabis Reinvestment and Restoration Fund. Members of the Board were appointed by either the County Council or the County Executive to serve an initial term of varying lengths, between two and four years. After the initial term, all members serve four-year terms. The County Council appoints nine of the thirteen members, representing one member per councilmanic district.

Resource Personnel:

- Eric Irving, Fiscal & Legislative Specialist
- John Sheridan, Policy Director, Office of Council Member At-Large Ivey

¹ CB-011-2025

² Maryland General Assembly-HB837

³ Maryland General Assembly-HB556

⁴ Code of Maryland, Alcoholic Beverages and Cannabis -Sec. 1-322

⁵ CB-088-2023

Discussion/Policy Analysis:

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CB-011-2025 would amend Subtitle 2. Administration, adding a new Division 9. §2-166 and 2-167 of the Prince George's County Code to increase the number of members for the Cannabis Reinvestment and Restoration Board from thirteen (13) to fifteen (15). All Board members are appointed by the County Council and the County Executive pursuant to Section 402⁶ of the County Charter. The proposed 15-member commission shall have one member from each of the nine (9) Council districts and two (2) At-Large positions appointed by the Council. The County Executive shall appoint three other members, one ex-officio member from the Office of Management and Budget, one from a service provider to incarcerated individuals or one that has a criminal record, and one that works with a Community-Based Organization in a low-income community. Members will be compensated in accordance with Subtitle 2, Division 24, of this Code and are entitled to reimbursement of travel expenses under the Standard State Travel Regulations as provided by the County Budget. The proposed legislation also sets the new Term Limits under §2-167 by providing that Five (5) members appointed by the Council shall serve initial terms of four (4) years. The terms for those three (3) members appointed by the Council serving two (2) years and three (3) members serving (3) years, respectively, remain unchanged. The four (4) members appointed by the County Executive serving four (4) year terms also remain unchanged.

Relevant Legislation from Other Jurisdictions

Anne Arundel County passed Bill 57-23 establishing the Anne Arundel Commission Reinvestment and Repair Commission and the Community Reinvestment and Repair Special Revenue Fund. Much like the Prince George's County version, it prioritizes low-income communities for grant awards, sets the standards for member appointment and operation of the commission, and mandates reporting requirements on the commission. The City of Baltimore passed Ordinance 23-0353 establishing the Community Reinvestment and Reparations Commission to distribute grants from the state's Community Investment and Repair Fund. The parameters for membership and distribution are identical to those of Prince George's County with some variance in the reporting requirements and number of members to serve on the commission. Howard County passed Bill CB32-2023 creating the Adult-Use Cannabis Advisory Panel. This panel is meant to serve as Howard County's chief regulatory body for cannabis policy and to control state funding for any cannabis-related policy.

⁶ Section 402 of the Prince George's County Charter

⁷ Anne Arundel County-<u>Bill 57-23</u>

⁸ Baltimore City Council-<u>Ordinance 23-0353</u>

⁹ Howard County-CB32-2023

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Fiscal Impact:

Direct Impact

The enactment of CB-011-2025 will not have an adverse fiscal impact on the County as this Bill only adds two (2) additional members to the Board.

Indirect Impact

The enactment of CB-011-2025 may have a favorable indirect impact, as the additional two (2) members may bring a perspective or area of expertise that is otherwise missing from the existing body, which may result in the Board better fulfilling its mission.

Appropriated in the Current Fiscal Year Budget

N/A.

Effective Date of Proposed Legislation:

The proposed Act shall be effective forty-five (45) calendar days after it becomes law.

If you require additional information or have questions about this fiscal impact statement, please reach out to me via phone or email.