

Office of Equity and Civil Rights
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Bill Report
Bill Version: First Reader

Council Bill 23-0353
Economic and Community Development

Community Reinvestment and Reparations Commission

Position

The Office of Equity and Civil Rights (“OECR”) has reviewed Council Bill 23-0353 and **supports a favorable committee report with amendments.**

Summary

The OECR believes that by creating the Community Reinvestment and Reparations Commission, Council Bill 23-0353 will favorably impact racial equity and social justice in Baltimore City.

Implementation

The OECR is the ideal agency to house the Community Reinvestment and Reparations Commission. the agency's mission is to combat inequity and discrimination. With our existing experience in housing six boards and commissions, our office has the subject matter expertise required to establish, operate, and support the Community Reinvestment and Reparations Commission. We have the established record of success in supporting independent boards and commissions. This is the OECR’s foundation, and perfectly aligns with the foundation on which the Community Reinvestment and Reparations Fund was created.

Bill Synopsis

Council Bill 23-0353, introduced on February 6, 2023, seeks to create the Community Reinvestment and Reparations Commission; allow the commission to distribute certain funds in accordance with Md. Ann. Code. Health - General Art., Title 13, Subtitle 46; establish the purposes and duties of the Commission; provide for the composition of the Commission; require certain reports; define certain terms; require certain individuals to file certain financial disclosures; and generally, relates to the Community Reinvestment and Reparations Commission.

Background

The criminalization of marijuana and the ongoing "War on Drugs" has been based on injustice and misinformation. The consequences of this approach to drug use and distribution has disproportionately targeted communities of color, resulting in the unjust criminalization of millions of people across the United States. Pursued under the guise of public safety and reducing consumption, this many decades long wrong has harmed communities, needlessly derailed the lives of many, and wasted billions of taxpayer dollars.

Over the years, public opinion on the use of marijuana has shifted, causing many to call for an end to marijuana prohibition. In response, several states have legalized, or decriminalized marijuana use in recent years. As of April 24, 2023, twenty-two states and Washington D.C., have legalized the recreational consumption of marijuana. On July 1, 2023, Maryland will become the ^{twenty-third} state to legalize adult recreational use of marijuana.

To further highlight the negative impact of the cannabis prohibition, we share that it has had disproportionate impacts on Black, Indigenous, and People of Color (BIPOC) communities in Baltimore City, as well as in many other parts of the United States. The enforcement of cannabis laws has resulted in unequal treatment and outcomes for BIPOC individuals, contributing to a wide range of harms.

According to a 2020 research report from the American Civil Liberties Union (ACLU), Black people are 3.64 times more likely than white people to be arrested for marijuana possession, even though usage rates are not drastically different between the two groups. This persistent disparity in marijuana-related arrests has significant social and economic consequences for Black communities, including the perpetuation of systemic racism and the exacerbation of existing inequities. The consequences of these disparities have been far-reaching, resulting in long-term negative impacts on individuals, families, and communities.

For instance, a marijuana-related arrest can lead to a criminal record, which can have serious consequences for employment opportunities, housing, access to education, and other aspects of daily life. This can create a cycle of economic disadvantage that disproportionately affects Black individuals and communities, contributing to wider socio-economic disparities. Moreover, these disparities in marijuana enforcement also reflect broader issues of racial bias and discrimination within the criminal justice system.

It is important to acknowledge that the disproportionate impact of marijuana enforcement on Black communities is not a new phenomenon. It is rooted in a history of racial discrimination and inequity that has disproportionately affected BIPOC communities, including the racially biased "War on Drugs" policies of the past. Despite the changing landscape of marijuana laws in Maryland, these racial disparities will persist for some time, underscoring the need for comprehensive reforms that address the root causes of these disparities and promote equity and justice as we navigate marijuana legalization.

The Community Reinvestment and Repair Fund

The Community Reinvestment and Repair Fund's purpose is to provide financial support to community-based organizations that serve communities identified by the Maryland Office of the Attorney General as having been most impacted by the disproportionate enforcement of marijuana prohibition prior to July 1, 2002.

The Fund will be endowed through sales and use tax revenue collected by the State Comptroller from the sale of marijuana. The Comptroller will then distribute the funds quarterly to the Cannabis Regulation and Enforcement Fund. After covering the operational and administrative expenses of the Maryland Cannabis Administration, 35% of the remaining funds will be allocated to the Community Reinvestment and Repair Fund for fiscal years 2024 through 2033.

The State Office of Social Equity will determine the allocation percentage for each county, and the State Comptroller will distribute funds from the Community Reinvestment and Repair Fund to each county based on the proportion of marijuana possession charges in that county compared to the total number of charges in the state, for the period from July 1, 2002, to January 1, 2023, inclusive.

Other Considerations

Function of the Commission

There are varying opinions on whether the Commission should serve in an advisory capacity to a city agency or be primarily responsible for "directing" the distribution of funds from the State Community Reinvestment and Repair Fund to Baltimore City. The OECR suggests that the Commission's ideal function should be to identify community-based initiatives that benefit low-income and historically disinvested communities and those that serve communities disproportionately harmed by marijuana prohibition and enforcement. The Commission would then submit recommendations to the relevant city agency, which would work with the City Comptroller and the Department of Finance (DOF) to disburse funds to the selected community-based initiatives. We are aware that there are other options for the "banking" and maintaining of the funds. A final decision should be made prior to the bill's passage.

Receiving Account

Article 1 § 16 of the Baltimore City Code establishes a special fund for Equity Assistance. This fund was created with the aim of supporting efforts that address inequity based on race, gender, or economic status in Baltimore City. As mentioned previously in this report, the disproportionate impacts of marijuana prohibition were rooted in race and predominantly affected low-income communities. The equity and civil rights issues that this fund was designed to address are also the same reasons behind the creation of the Community Reinvestment and Repair Fund. The OECR does not oppose the utilization of the Equity Fund to receive Baltimore City's portion of the state's Community Reinvestment and Repair Fund. In fact, this fund is likely the most appropriate recipient for these funds.

Commission Composition

We have concerns that the proposal that the Commission be composed of 30 members could potentially hinder the budgetary processes and preparations undertaken by the city's Department of Finance ("DOF") for budget compilation and submission. As a result, we respectfully defer to DOF regarding the composition of the Commission and its potential impact on essential budgetary activities and timelines.

Conclusion

While the Office of Equity and Civil Rights is generally supportive of City Council Bill 23-0353, we strongly believe that further time is needed to properly establish and operationalize the commission to ensure its effective role in the utilization of funds allocated to Baltimore City. This Commission has the potential to address the injustices of the 'War on Drugs' in Baltimore City and promote positive change. Taking the necessary time to establish the proper infrastructure to support its success is a worthwhile endeavor.

Additional Information

Prior introductions: None.

Information Sources: American Civil Liberties Union; Maryland State Department of Legislative Services; Substance Abuse and Mental Health Services Administration; National Institute on Drug Abuse.

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