

DRAFT RECOMMENDATIONS

Lobby Annapolis to increase the amount of funds allotted to Counties from cannabis tax revenue from 5% to 20%.

It is projected that Howard County will receive \$200,000 this year and by 2028, it is anticipated the revenue will be \$900,000.

Recommendation

Cannabis tax revenue received by Howard County could be allotted to the following:

- a. Mental health and substance abuse programs
- b. Social equity program
- c. Public safety
- d. Health and social services
- e. Cannabis regulation and research
- f. Anti-drug programs focused on youth

Maryland's cannabis tax revenue will be distributed as follows:

5% to Counties

5% to Cannabis Public Health Fund

5% to the Cannabis Business Assistance Fund

35% to the Community Reinvestment and Repair

Fund 50% to Maryland's General Fund

How much will Howard County receive, if any, from Cannabis Public Health Fund, Cannabis Business Assistance Fund and the Community Reinvestment and Repair Fund?

How do other states use their cannabis tax revenue?

Delaware: All marijuana tax revenue goes to the Marijuana regulation Fund. From there, 7% is credited to the Justice Reinvestment Fund to be used for projects to improve the quality of life for communities most impacted by the prohibition of marijuana. After covering administrative cost, the legislature decides how to distribute the remainder of the funds.

Connecticut: During the first two fiscal years, revenue generated from cannabis sales will be used to support administrative costs. In subsequent years: 15% will go to the general fund, 60% of the remaining revenue will go toward social equity programs, and 25% of the remaining revenue will go toward substance misuse treatment programs.

New Jersey: At least 70% of all marijuana tax revenues are used for investing in impact zones, which are defined as cities with high crime indexes or high unemployment rates. The remainder is used to: Oversee development, regulation, and enforcement of activities associated with the personal use of cannabis. Reimburse the cost of training police officers to detect and apprehend drug-impaired drivers. Further investments in impact zones, including direct financial assistance for people living in them. Any remaining money is deposited in the state general fund.

New York: After covering up-front costs, New York distributes marijuana tax revenue: 40% to the State Lottery fund for education purposes, 40% to the Community Grants Reinvestment Fund, 20% to the Drug Treatment and Public Education Fund.