Community Reinvestment and Repair Fund

Executive Summary

Purpose	Distribute cannabis tax revenue to community-based organizations serving eligible communities.
Geographic focus	Eligible low-income communities countywide, with added consideration for the State-designated 20653 area.
County preference	High-impact, one-time investments that create durable benefits without significant recurring obligations.

Purpose of the Fund

The Community Reinvestment and Repair Fund (CRRF), established under Maryland's Cannabis Reform Act of 2023, directs a portion of adult-use cannabis tax revenue to local jurisdictions for distribution to community-based organizations. The Fund supports initiatives benefiting low-income communities and areas disproportionately impacted by the enforcement of cannabis prohibition.

CRRF funds must supplement, and may not supplant, funding otherwise appropriated for preexisting programs. Funds also may not be expended for law enforcement agencies or activities.

Eligible Communities and Geographic Focus

Program eligibility is place-based. Projects must benefit either a State-designated disproportionately impacted area or an eligible low-income community. A disproportionately impacted area is a geographic area identified by the Maryland Office of Social Equity as having cannabis possession charges above 150 percent of the State's 10-year average. The Office currently identifies ZIP Code 20653 as the disproportionately impacted area in St. Mary's County.

A low-income community is a Qualified Census Tract designated by the U.S. Department of Housing and Urban Development or, where the regulatory alternative applies, an area in which at least 51 percent of households earn at or below 80 percent of area median income using the most recent HUD data.

The 20653 preference is not exclusive and does not depend on the applicant's business address. Evaluation will focus on where beneficiaries reside, where services are delivered, and the measurable community benefit. Strong projects serving eligible low-income communities elsewhere in St. Mary's County may also compete.

Eligible Organizations

Direct recipients must be section 501(c) nonprofit organizations established for charitable, educational, or socially beneficial purposes and qualified to do business and in good standing in Maryland. Applicants must also meet the State definition of a community-based organization by demonstrating resident involvement in program design, implementation, and evaluation; residents often take leadership roles.

Public bodies and unincorporated entities are not direct recipients. Any fiscal sponsorship must be permitted by the NOFA and approved by the County.

Intended Activities and Populations

Funding is intended for projects that address documented conditions affecting eligible communities and their residents. Target populations may include low-income families, residents experiencing housing instability or homelessness, youth facing educational barriers, individuals seeking workforce opportunities, people experiencing behavioral-health crises, and individuals and families impacted by incarceration. A population's vulnerability alone does not establish eligibility; the proposal must also demonstrate the required connection to an eligible geographic community.

Eligible activities may include:

- **Behavioral health and family support.** Behavioral health crisis-response services, community child care, and related family-support initiatives benefiting an eligible community.

- **Education and youth development.** Education and after-school programs, community recreation, and truancy or absenteeism intervention.
- **Housing and basic stability.** Housing and homelessness-prevention initiatives and other community-based services that clearly satisfy CRRF and NOFA requirements.
- **Employment and reentry.** Job training, workforce development, employment readiness, and programs benefiting individuals and families impacted by incarceration.
- **Transportation and program capacity.** Transportation improvements in qualifying high-density areas with public transportation and allowable facilities, equipment, vehicles, or technology directly supporting an eligible initiative.

All proposed activities must respond to a demonstrated local need, provide a clear and measurable benefit to an eligible community, and comply with applicable State law, regulations, the County's distribution plan, and the NOFA.

Commissioners Funding Priorities

The Commissioners of St. Mary's County have expressed a preference for one-time, high-impact investments that create lasting community benefits without establishing significant recurring financial obligations. Competitive proposals may include equipment, technology, facility improvements, vehicles supporting eligible services, program startup costs, training, temporary implementation assistance, and other allowable investments that create durable community or organizational capacity.

Personnel and operating costs are not automatically excluded. Proposals that depend substantially on continuing salaries, benefits, leases, subscriptions, maintenance, or other recurring expenses should identify a credible funding source for those costs after the CRRF award ends. Temporary personnel or contractual costs may be appropriate when they are necessary to establish a sustainable project or lasting capability.

CRRF revenue and future County distributions may vary. Projects should not assume that additional CRRF awards will be available in subsequent years, and proposals dependent on continuing CRRF support should receive lower priority unless they present a credible sustainability plan.

Funding Approach

Through this funding process, the Commissioners seek to balance the State's remedial purposes with local needs and responsible stewardship of a variable revenue source. Priority will be given to proposals that demonstrate a strong and documented need, provide direct and measurable benefits to eligible residents, are ready for implementation, use funds cost-effectively, and produce benefits that can be sustained beyond the initial County investment.