



THIRU MAYOR

LEGALIZING CANNABIS IN BALTIMORE

The marijuana marketplace in Baltimore is currently a chaotic free-for-all. The illegal trade contributes to record violence, and the medical trade is not taxed. Mayoral Candidate Thiru Vignarajah has pledged to **make Baltimore the first city in America to regulate and tax marijuana** without waiting for federal or state approval.

Devote Tax Revenue to Public Education Priorities

All City revenue would be directed exclusively to key education programs:

- Universal pre-K for every 3- and 4-year-old child
- Debt-free higher education for public high school graduates, including trade school
- Funding to grow the endowments of HBCUs

Establish City Agency to Manage the New Market

- Appoint board members who will develop permit criteria; fix taxes and regulations; and issue growth, processing, sale, and “cannabis café” permits
- Create a safety board that will ensure recreational cannabis is safe and free of dangerous additives

Guarantee Access and Equity for Communities of Color

Frustration continues to grow as communities of color—who disproportionately shouldered the burdens of the failed War on Drugs—are now being effectively excluded from the profitable new market. Baltimore will **issue permits preferentially to enterprises owned, operated, and controlled by historically-disadvantaged minorities** and those who commit to hire returning citizens with non-violent criminal records seeking constructive employment.



Establishing a legal cannabis market in Baltimore would produce \$250 million in annual revenue for the City.



Reduce Crime, Create Jobs & Increase Investments in Education by Regulating and Taxing Baltimore's Marijuana Market

Mayoral candidate Thiru Vignarajah announced a bold plan to issue permits and tax the cannabis trade in Baltimore to reduce crime, create well-paying jobs, reduce overdoses, and fund universal pre-K for every Baltimore child.

The marijuana marketplace in Baltimore is currently a chaotic free-for-all. The illegal trade contributes to record violence while depriving taxpayers of hundreds of millions of dollars. The illegal street market operates unimpeded as police and prosecutors publicly squabble about whether to enforce current laws, even as street marijuana is increasingly laced with fentanyl and K-2. Medical cannabis is booming but cannot be taxed and has virtually no licensed distributors of color.

Bottom line: a billion dollars is spent on cannabis products each year, which largely ends up in the monopoly hands of untaxed licenses and violent gangs and drug organizations.

This is the worst of all worlds. Violence is unabated; avoidable overdoses persist; and drug proceeds remain locked in a violent black market. Moving the cannabis trade into a well-regulated, transparent market and out of the shadows will (1) reduce gun violence driven by competing gangs, (2) decrease overdose deaths from laced marijuana, (3) reduce opioid addiction and overdoses; (4) mitigate the racial wealth gap, and (5) provide vital revenue to fund universal pre-K, finance repairs and upgrades at K-12 school facilities, guarantee free college in Maryland for public school graduates, and grow HBCU endowments. Baltimore City cannot afford to wait for indecisive lawmakers in Annapolis to take action while the City suffers from the failed war on drugs.

Just as Colorado and other states have issued permits and taxed the sale of cannabis, even though it remains illegal under federal law, so too should Baltimore City issue sales permits and tax cannabis. The same people who think Baltimore City has to wait for Maryland law to change thought Colorado had to wait for federal law to change. It's time for Baltimore to lead, not follow.

Issue Permits to Baltimore Businesses to Aid Communities of Color

When it comes to marijuana, the war on drugs has been a colossal failure. For decades, communities of color have disproportionately shouldered the costs of Baltimore's enforcement policies. The communities who were most devastated by the failed policies of the 1980s ought to be the first to benefit from this emerging market.

- Permits will be preferentially issued to enterprises owned, operated, and controlled by historically disadvantaged business owners of color.
- Permits will be issued to distributors owned, operated, and controlled by local businesses.
- Permits will be preferentially issued to enterprises who commit to hire employees with non-violent criminal records who are seeking legitimate employment opportunities.

Require Tax Proceeds be Spent Strictly on Public Education Programs

The emerging cannabis market would produce \$250 million in annual revenue for Baltimore City. Maryland and neighboring states will inevitably legalize marijuana, but there is a first-mover advantage in this industry that the City should seize. In the past, residents have been promised funds for education from controversial ventures like casinos only to see money diluted or redirected to other priorities. This won't happen again.

- All cannabis tax proceeds will be strictly dedicated to key education programs, starting with (1) universal pre-K for every 3- and 4-year-old child, (2) repairs and improvements at K-12 facilities, (3) debt-free 4-year college, community college, or trade school for Baltimore public high school graduates, and (4) funding to grow the endowments of HBCUs.
- These funds will be used only to support new programs and to supplement, not replace, current funding sources for the expansion of existing programs.

Establish Infrastructure to Manage Complex Emerging Market

- The City will establish a commission composed of community members, with no conflicts, who will manage and make permitting decisions. The process and decision-making will be fully public and transparent so there are no doubts who made the decision and why.
- The City will create a city-operated credit union that holds the proceeds of cannabis sales, collects taxes and distributes them immediately to vital education programs, and eventually makes its reserve funds available for low-interest student and small business loans.
- The City will create a safety board that will ensure that recreational cannabis is safe and free of dangerous additives like fentanyl and will create and communicate clear regulations about when, where, and how the product can be sold and used.

In theory, in states like Colorado, prosecutors could bring charges under federal drug laws anytime. In practice, they never have. The premise of the proposed approach is that prosecutors in Baltimore have better things to do with their time than to go after permitted, minority-owned cannabis dispensaries based in Baltimore who hire residents desperately trying to obtain legitimate employment to turn their lives around. Issuing city permits and collecting taxes would no more make the sales legal under state law than issuing state licenses makes the sales legal under federal law. But, with ingenuity and leadership, we can still bring the marijuana trade out of the dangerous shadows—where gangs kill over turf—and create a safer market that redresses racial inequities and generates massive tax revenue at a time when Baltimore desperately needs it.