



Legislation Details (With Text)

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**Title:** Directing The Tax Revenue Generated By Legal Recreational Marijuana Sales To A Permanent Marijuana Equity And Community Reinvestment Fund For The Benefit, Health, Safety, Welfare, And Quality Of Life For Those Who Have Been Negatively Impacted By The Criminalization Of Marijuana (Peña)

**Sponsors:** Klarissa J. Peña

**Indexes:**

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11/8/2023	1	City Council	Amended	Pass
11/8/2023	1	City Council	Amended	Pass
11/8/2023	1	City Council	Passed as Amended	Pass
10/16/2023	1	President	To be heard at the Council Meeting	
10/16/2023	1	City Council	Introduced	

**CITY of ALBUQUERQUE**  
**TWENTY FIFTH COUNCIL**

COUNCIL BILL NO. O-23-87      ENACTMENT NO. \_\_\_\_\_

SPONSORED BY: Klarissa Peña

ORDINANCE

Directing The Tax Revenue Generated By Legal Recreational Marijuana Sales To A Permanent Marijuana Equity And Community Reinvestment Fund For The Benefit, Health, Safety, Welfare, And Quality Of Life For Those Who Have Been Negatively Impacted By The Criminalization Of

## Marijuana (Peña)

DIRECTING THE TAX REVENUE GENERATED BY LEGAL RECREATIONAL MARIJUANA SALES TO A PERMANENT MARIJUANA EQUITY AND COMMUNITY REINVESTMENT FUND FOR THE BENEFIT, HEALTH, SAFETY, WELFARE, AND QUALITY OF LIFE FOR THOSE WHO HAVE BEEN NEGATIVELY IMPACTED BY THE CRIMINALIZATION OF MARIJUANA.

WHEREAS, the communities that have been most harmed by marijuana prohibition are benefiting the least from the legal marijuana marketplace; and

WHEREAS, the Cannabis Regulation Act (CRA) legalized sales of adult-use marijuana in New Mexico during a special session in March 2021 legalizing marijuana for adult recreational use; and

WHEREAS, legal marijuana tax revenue to the City of Albuquerque has averaged \$2.8 million per year; and

WHEREAS, individuals with marijuana and other convictions types are burdened with collateral consequences that make seeking employment, receiving public benefits, obtaining occupational licenses, and pursuing higher education more difficult, thus limiting their opportunities for financial stability; and

WHEREAS, tax revenue generated from the adult-use sales of marijuana could be used to reinvest in communities most harmed by marijuana prohibition; and

WHEREAS, the City of Albuquerque Cannabis Equity Working Group, formed in August 2021, met monthly to discuss what is needed to ensure equity and public benefit of adult use of marijuana within the City of Albuquerque; and

WHEREAS, the Working Group was tasked with making recommendations on programs, requirements and/or incentives to promote social and economic equity for applicants, licensees, & community members; identifying communities that have been disproportionately impacted by the "War on Drugs;" identifying funding needs within those communities; and to determine programmatic eligibility of persons who have been disproportionately impacted by the criminalization of marijuana; and

WHEREAS, the City of Albuquerque hired equity consultants in December 2021 and tasked them with hosting community listening sessions to gain additional community insight regarding needs of a marijuana social equity program while also noting community concerns of new marijuana legalization; and

WHEREAS, feedback given by the initial working group in combination with feedback from the

listening sessions led to recommendations to the City of Albuquerque for consideration; and

WHEREAS, the City of Albuquerque's Office of Equity and Inclusion worked with the City of Albuquerque Equity Working Group, the City consultants, and the community throughout the process of forming recommendations related to marijuana equity and the use of marijuana tax revenue funds by the City of Albuquerque; and

WHEREAS, the community stakeholders recommended that the City establish a marijuana social equity program and that such program be situated within an existing City department that shares the foundational goals of using part of the tax proceeds of legal marijuana sales to reinvest in communities that have been disproportionately impacted by criminalization of marijuana; and

WHEREAS, recently released results from the national Youth Risk Behavior Survey (YRBS) allow comparisons between high school students in New Mexico, the US, and in other states; the YRBS reveals that in 2019, compared to other US high school students, NM students had higher rates of most drug use and tobacco use and were more likely to be early initiators of cigarette smoking, alcohol use, and marijuana use; and

WHEREAS, the federal Substance Abuse and Mental Health Services Administration (SAMHSA) identifies 'Recovery Housing,' also known as Sober Living Homes, as a vital component to the continuums of affordable housing because sober living homes replicate normal, everyday life situations while instilling healthy habits, helping to reduce the chance of relapse; and

WHEREAS, recovery housing acts as a supplement to an individual's recovery and is an alternative to going from an immersive care environment straight to a totally unstructured environment at home; and

WHEREAS, Recovery Residences are also designed for specific/special populations such as language, gender, women with children, age, re-occurring problems, medication status, prison re-entry to society after incarceration, and those that are unhoused; and

WHEREAS, safe, stable, and nurturing relationships and environments are essential to children's health and wellbeing, yet many children in Albuquerque do not live in these types of environments, which places them at-risk for adverse childhood experiences with the potential for immediate and long-term negative health and social impacts; and

WHEREAS, because strengthening economic supports is one of the six strategies recommended by the U.S. Centers for Disease Control and Prevention to prevent Adverse Childhood Experiences (ACES), a range of economic support programs is being tested in cities across the country to meet basic needs; and

WHEREAS, basic income programs create an income floor for the most vulnerable as a step toward empowering individuals to meet their basic needs and make decisions that go beyond merely surviving, and instead enable thriving; and

WHEREAS, the New Mexico Department of Taxation and Revenue requires that municipalities report on how Marijuana tax revenue is spent, and establishing a fund simplifies this reporting.

BE IT ORDAINED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF ALBUQUERQUE:

SECTION 1. A new Article 12, the “Marijuana Equity and Community Reinvestment Fund,” is hereby adopted within Chapter 4, “Revenue and Taxation” as follows:

“§ 4-12-1 SHORT TITLE.

This article may be referred to as the Albuquerque Marijuana Equity and Community Reinvestment Fund Ordinance.

A. DEFINITIONS

*Marijuana* - cannabis flower and cannabis extracts, as defined in the New Mexico Cannabis Regulation Act, NMSA § 26-2C-2(B).

*Recreational Marijuana Tax Revenue* - Includes all taxes and revenue collected by or deposited to the City in connection with excise taxes from recreational marijuana sales, except that recreational marijuana licensing fees shall not be considered recreational marijuana tax revenue.

*Marijuana Social Equity Program* - activities related to the use of marijuana taxes to benefit those populations most adversely impacted by the historical criminalization of marijuana.

*Vulnerable Community* - a community of interest that has historically been targeted or victimized by the war on drugs.

*Community needs and support* -supplemental support directed to vulnerable communities and communities of interest.

B. PERMANENT MARIJUANA EQUITY AND COMMUNITY REINVESTMENT FUND.

1. The City shall establish a Marijuana Social Equity and Community Reinvestment Fund wherein all recreational marijuana tax revenue shall be deposited at least once per annum;
2. The Department of Finance and Administrative Services shall oversee and administer the Marijuana Equity and Community Reinvestment Fund, coordinating with the Office of Equity and Inclusion to facilitate related programs to ensure equitable community reinvestment and access.

3. The Office of Equity and Inclusion shall develop and maintain a process for broadly representative public input into the activities of the Marijuana Equity and Community Reinvestment Fund programs.

C. DEDICATION.

1. The Marijuana Equity and Community Reinvestment Fund may be used for the administration and provision of any or all of the following purposes and related programs:
  - a. Evidence-based drug education, awareness, and prevention programs for youth;
  - b. Evidence-based substance use treatment for youth, including but not limited to inpatient detoxification;
  - c. Recovery Housing and supportive aftercare;
  - d. Supplemental income programs;
  - e. Workforce development and job training;
  - f. Technical assistance for small marijuana business owners in impacted communities;
  - g. Programs for people re-entering society after incarceration;
  - h. Programs operated by Equity and Inclusion for the benefit of populations disproportionately impacted by the historical criminalization of marijuana.

SECTION 2. SEVERABILITY CLAUSE. If any section, paragraph, word or phrase of this ordinance is for any reason held to be invalid or unenforceable by any court of competent jurisdiction, such decision shall not affect the validity of the remaining provisions of this ordinance. The Council hereby declares that it would have passed this ordinance and each section, paragraph, sentence, clause, word or phrase thereof irrespective of any provision being declared unconstitutional or otherwise invalid.

SECTION 3. COMPILATION. Section 1 of this Ordinance shall be incorporated in and made part of the Revised Ordinances of Albuquerque, New Mexico, 1994, as a new Article 12 to be added to Chapter 4, titled "Marijuana Equity and Community Reinvestment Fund."

SECTION 4. EFFECTIVE DATE. This ordinance shall take effect five (5) days after publication by title and general summary.