

1 HOUSE BILL 315

2 **56TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2023**

3 INTRODUCED BY

4 Andrea Romero and Javier Martínez

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10 AN ACT

11 RELATING TO DISTRIBUTIONS OF THE CANNABIS EXCISE TAX; PROVIDING
12 DISTRIBUTIONS TO THE COMMUNITY REINVESTMENT GRANT FUND AND THE
13 SUBSTANCE USE DISORDER PREVENTION AND TREATMENT FUND; PROVIDING
14 PURPOSES, APPLICATIONS AND AWARDS.

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16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

17 SECTION 1. Section 7-1-6.68 NMSA 1978 (being Laws 2021
18 (1st S.S.), Chapter 4, Section 50) is amended to read:

19 "7-1-6.68. DISTRIBUTION--CANNABIS EXCISE TAX--
20 MUNICIPALITIES AND COUNTIES.--

21 A. A distribution pursuant to Section 7-1-6.1 NMSA
22 1978 shall be made to each municipality, subject to any
23 increase or decrease made pursuant to Section 7-1-6.15 NMSA
24 1978, in an amount equal to thirty-three and thirty-three
25 hundredths percent of the net receipts attributable to the

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1 cannabis excise tax from cannabis retailers within the
2 municipality.

3 B. A distribution pursuant to Section 7-1-6.1 NMSA
4 1978 shall be made to each county in an amount equal to thirty-
5 three and thirty-three hundredths percent of the net receipts
6 attributable to the cannabis excise tax from cannabis retailers
7 within the county area of the county.

8 C. A distribution pursuant to Section 7-1-6.1 NMSA
9 1978 shall be made to the community reinvestment grant fund in
10 an amount equal to sixteen and one-half percent attributable to
11 the cannabis excise tax.

12 D. A distribution pursuant to Section 7-1-6.1 NMSA
13 1978 shall be made to the substance use disorder prevention and
14 treatment fund in an amount equal to sixteen and one-half
15 percent attributable to the cannabis excise tax.

16 [~~E.~~] E. The department may deduct an amount not to
17 exceed three percent of the distributions made pursuant to
18 Subsections A and B of this section for the reasonable costs
19 for administering the distributions.

20 [~~D.~~] F. As used in this section, "county area"
21 means that portion of a county located outside the boundaries
22 of any municipality."

23 SECTION 2. [NEW MATERIAL] COMMUNITY REINVESTMENT GRANT
24 FUND--PURPOSES.--

25 A. The "community reinvestment grant fund" is
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1 created as a nonreverting fund in the state treasury. The fund
2 consists of distributions from the cannabis excise tax,
3 appropriations, income from investment of the fund, gifts,
4 grants and donations. Money in the fund is subject to
5 appropriation by the legislature for the department of health
6 to provide grants for the purposes of the community
7 reinvestment grant fund. Expenditures from the fund shall be
8 by warrants of the secretary of finance and administration
9 pursuant to vouchers signed by the secretary of health or the
10 secretary's authorized representative.

11 B. Public post-secondary educational institutions,
12 public community schools, municipalities and counties may apply
13 for community reinvestment grants on forms and in the manner
14 provided by the department of health. The department shall
15 provide by rule for application and awards criteria.
16 Applicants may propose to provide a grant service directly or
17 through contracts entered into in compliance with the
18 Procurement Code. Grants from the fund may be used to:

19 (1) contract for the development and execution
20 of a comprehensive and sustained multilingual public education
21 campaign that:

22 (a) promotes abstinence from cannabis
23 products for persons under twenty-one years of age;

24 (b) encourages responsible use of
25 cannabis products by adults; and

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1 (c) promotes medical cannabis as a
2 therapeutic option;

3 (2) reinvest in communities disproportionately
4 affected by historical federal and state drug policies by
5 providing or contracting for job placement and legal services
6 to address barriers faced by formerly incarcerated persons;

7 (3) provide housing programs and services that
8 prioritize people in substance abuse treatment or who are
9 currently using substances;

10 (4) provide harm reduction and overdose
11 prevention services;

12 (5) implement promising practices or evidence-
13 based drug education programming based on the principles of
14 harm reduction, including leadership development, family
15 engagement and youth development, that is designed to prevent
16 and reduce substance use, improve elementary and secondary
17 school retention and performance and create economic security
18 for families; and

19 (6) fund targeted or comprehensive research
20 related to medical and adult cannabis use in areas such as:

21 (a) use effects or efficacy of medical
22 and commercial cannabis;

23 (b) impacts on public health, health
24 costs associated with cannabis use and whether cannabis use is
25 associated with an increase or decrease in the use of alcohol

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1 or other drugs;

2 (c) the effectiveness of the packaging
3 and labeling requirements and advertising and marketing
4 restrictions on the prevention of underage access to and use of
5 cannabis products;

6 (d) cannabis use rates and maladaptive
7 cannabis use rates for adults and youth and diagnosis rates of
8 cannabis-related substance use disorders; and

9 (e) environmental issues related to
10 cannabis production and the criminal prohibition of cannabis
11 production.

12 SECTION 3. [NEW MATERIAL] SUBSTANCE USE DISORDER
13 PREVENTION AND TREATMENT FUND--GRANTS--PURPOSES.--

14 A. The "substance use disorder prevention and
15 treatment fund" is created as a nonreverting fund in the state
16 treasury. The fund consists of distributions from the cannabis
17 excise tax, appropriations, income from investment of the fund,
18 gifts, grants and donations. Money in the fund is subject to
19 appropriation by the legislature to the human services
20 department to fund substance use disorder prevention and
21 treatment services described in this section. Expenditures
22 from the fund shall be on warrants of the secretary of finance
23 and administration pursuant to vouchers signed by the secretary
24 of human services or the secretary's authorized representative.

25 B. Public post-secondary educational institutions,

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1 municipalities and counties may apply for grants on forms and
2 in the manner provided by the department for projects that
3 provide substance use disorder prevention or treatment. The
4 department shall provide by rule for application and awards
5 criteria. Applicants may propose to provide a grant service
6 directly or through contracts entered into in compliance with
7 the Procurement Code.

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