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Mark Jeffreys
Councilmember

Motion: Restricting Cannabis Funds to Neighborhoods Impacted

June 5, 2026

WE MOVE that the administration take the following action within the next 90 days:

- Create a restricted fund within the City of Cincinnati budget for future cannabis funds from the State of Ohio starting for FY 2028. The intention of this restricted fund is to restrict the expenditure of those funds on the communities most impacted by cannabis when it was illegal to repair the damage done to these communities.
- Request the administration report back on how they would define “the communities most impacted by cannabis when it was illegal” – specifically which neighborhoods would receive funding.
- Partner with the Greater Cincinnati Foundation (GCF) and other philanthropic organizations to amplify the impact of this restricted fund with private investment and the creation of a governance structure for ensuring its future impact remains restricted and investments have the intended impact.

City Council will take further, subsequent action to determine how these funds will be dispensed after the restricted fund has been established starting with the FY 2027 budget.


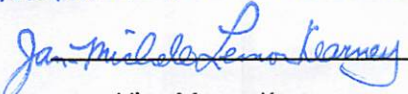
STATEMENT

In November 2023, the citizens of Ohio voted to legalize cannabis. With that legalization was a tax on the sale of cannabis products in dispensaries in the State of Ohio. The City of Cincinnati received its first annual installment of funding from cannabis taxes last year from dispensaries within the City of Cincinnati. In 2025, the amount was \$2.3 million covering a period of about 18 months, and in 2026 it is expected to be \$1.6 million.

When cannabis was illegal, the impact was disproportionately in African American communities. For example, in 2010, according to the ACLU of Ohio, African Americans were four times more likely to be arrested for marijuana possession in Ohio despite similar usage rates. In a Cincinnati Law Department review in 2019, 80% of marijuana arrests over a 15-year period were African American males.

The current cannabis funds and future funds do not currently carry any restrictions from the State of Ohio. Without any further action by City Council, these funds will simply be absorbed into general operations of the City of Cincinnati without being redirected into helping the communities most harmed when cannabis was illegal. While ideally the restricted fund would have been created before FY 2027, given we are in the current budget cycle, the intent is to create it formally for FY 2028.

This is a "once in a lifetime" opportunity to use funds to repair some of the damage caused when cannabis was illegal. Without this action, these funds would be absorbed into the general fund in future years, which would be a lost opportunity.

Vice Mayor Kearney



Councilmember Mark Jeffrey



Pro Tem Scotty Johnson

