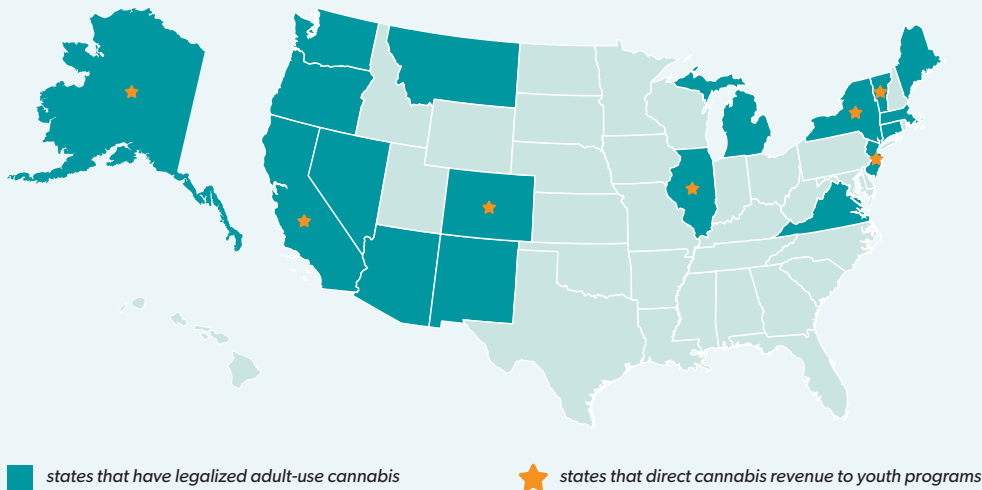


Investing in Our Communities by Funding Afterschool Programs

Nationwide, policymakers are recognizing that adult-use cannabis tax revenue can be used to repair some of the harm caused by the war on drugs, which disproportionately targeted communities of color and low-income communities.

States' community reinvestment strategies that address equity include supporting programs that focus on violence prevention, youth development (including afterschool and summer programs), teen substance use prevention, legal aid, and more.



Approximately half of states that have legalized adult-use of cannabis—including Alaska, California, Colorado, Illinois, New Jersey, New York, and Vermont—are already investing, or have plans to invest cannabis tax revenue, back into youth development programs.

The Case for Investing in Afterschool

As decision-makers determine how to use cannabis tax revenue, they should consider benefits linked with youth development programs, such as afterschool.

Afterschool has a strong impact on youth in communities where we have disinvested.

Afterschool programs can have a particularly strong impact on youth from low-income communities, lowering their dropout rates and helping close opportunity gaps between them and their more affluent peers.



Solution: Using cannabis tax revenue to fund afterschool programs in these communities can help address past harm caused by disproportionate criminalization.

Afterschool is proven to promote positive youth outcomes.

Afterschool offers a safe space and time for young people to connect with caring mentors, gain confidence, and connect with peers. Decades of research shows that afterschool helps youth make gains in reading and math, improve their work habits and school attendance, build social skills, make smart decisions, and graduate.

These programs are a lifeline for working parents too, giving them peace of mind that their children are safe and engaged after school hours. Research has found that young people not involved in structured activities between 2 to 6 p.m. are more likely to engage in risky behaviors, experiment with drugs, and skip school.



Solution: Cannabis tax revenue can fund afterschool programs, which help prevent substance use and misuse, decrease risky behavior, and support working parents.

Afterschool is Making a Difference

Promise South Salt Lake (PSSL), an initiative of the city of South Salt Lake, Utah, provides free wraparound services and afterschool programming through a network of 14 community centers. The afterschool program provides homework help, tutoring, STEM activities, service learning opportunities, and college preparation and career-planning programs. Community partners also collaborate on programming to mitigate risk factors that are associated with involvement in the juvenile justice system. PSSL has connected the community efforts to a decrease in juvenile crime; according to a 2020 analysis, the city's juvenile arrest rates between 3 and 6 p.m. dropped 67% from 2010 to 2019.

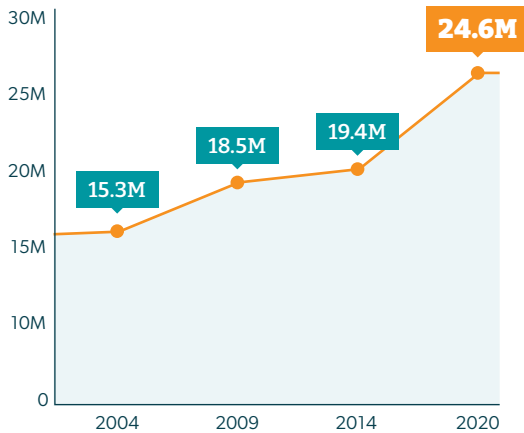
Nationwide, unmet demand for afterschool has skyrocketed.

Nearly 25 million children and adolescents are waiting for a program, and children in traditionally underserved communities are more likely to miss out.

For every young person in an afterschool program, three more are waiting to get in. Cost and access are the biggest roadblocks to participation—these challenges are especially pronounced in low-income communities and communities of color.

Unmet demand for programs has grown

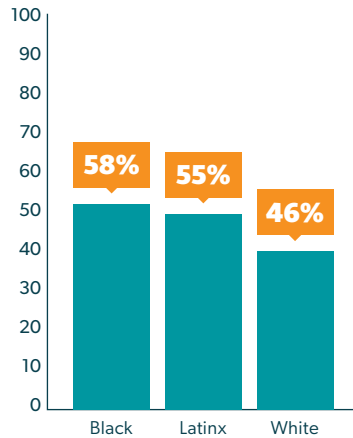
60% since 2004.



Number of kids who would participate if more afterschool programs were available

Youth who are waiting for an

available program, 2020



Percentage of children not currently in an afterschool program who would participate if more programs were available.



Solution: Cannabis tax revenue can help ensure more youth who need afterschool can participate, particularly in communities where access and affordability is lacking.

How States are Investing in Youth Through Cannabis Tax Revenue



Alaska

During the 2018 legislative session, the Alaska Legislature passed Senate Bill 104, creating a Marijuana Education and Treatment Fund. Twenty-five percent of the excise tax collected on marijuana products is deposited in the Fund. Half of the funding is allocated to support afterschool programs statewide to mitigate risk factors and build protective factors related to substance misuse among youth in grades 5-8. The other half of the funding goes to the Department of Health & Social Services for education, treatment, surveillance, and monitoring of marijuana usage in the state. Grants from the Fund provided \$1.25 million to youth programs in 33 communities in 2019.

BEST PRACTICE HIGHLIGHT

Alaska's Positive Youth Development Afterschool Program provides grants to community-based programs that serve adolescents and prevent early substance use by providing children with positive learning experiences outside of school.

Afterschool programs deliver a marijuana awareness and education curriculum that helps youth make healthy decisions related to marijuana use.

There is overwhelming bipartisan support for afterschool.



87% of parents favor public funding of afterschool programs to expand opportunities for youth in underserved communities.



91% of Democrats, 87% of Independents, and 85% of Republicans support public funding for afterschool.





Illinois

Illinois Governor JB Pritzker signed the Cannabis Regulation and Tax Act (HB1438) into law on June 25, 2019. This law not only legalized adult-use cannabis, but it also created the Restore, Reinvest, and Renew (R3) program. Under this program, Illinois directs funding to areas with high rates of economic disinvestment, gun violence, unemployment, child poverty, and incarceration. The program requires that grantees use the funding to support civil legal aid, economic development, reentry, violence prevention, and/or youth development. Through 2020, the R3 board met to designate areas of need in Illinois and design a grant program to serve these target areas.

In January 2021, Illinois announced its first round of R3 grants. Roughly 400 programs applied for funding. Only 80 programs received grants, and more than half of these fund youth development programs. The overwhelming number of applications for this funding underscores the need in these communities.

BEST PRACTICE HIGHLIGHT

The initial round of R3 grants provides \$31.5 million to under-resourced communities throughout Illinois. The Center for Community Academic Success Partnerships received a \$365,000 grant to collaborate with local partners to offer afterschool and summer learning programs, leadership development, social and emotional learning services, and workforce training. These resources will target youth and families who have experienced violence, trauma, and/or economic disinvestment.

R3 is funding programs that can:



Help students make math gains.
(YMCA of Rock River Valley)



Fund a college and career counselor and create a teen center.
(East St. Louis Youth Development Alliance)



Teach workforce readiness skills and improve parental engagement.
(Springfield Urban League)



Connect families who have experienced violence, trauma, or economic disinvestment to afterschool programs, leadership development, and workforce training.
(Center for Community Academic Success Partnerships)

Read more [here](#).



New York

In March 2021, the New York State Legislature passed (S.854-A/A.1248-A), legalizing adult-use cannabis and establishing a 9% state excise tax on retail sales. The program is expected to spur economic growth by creating 30,000 to 60,000 new jobs and raising \$350 million annually in tax collections when fully implemented. Governor Andrew Cuomo and leaders in the state legislature emphasized that the legalization of marijuana offers an opportunity to redirect resources to communities that have suffered the most from the war on drugs. After funding is allocated to administer the program, 40% of the remaining tax revenue will go to a Community Grants Reinvestment Fund to provide grants to community-based nonprofits and local government entities, with a goal of distributing funding to communities that have been disproportionately affected by cannabis enforcement. Afterschool has been called out as a priority for this grant funding.

BEST PRACTICE HIGHLIGHT

New York is dedicating significant resources—40% of revenue from the state excise tax—to community reinvestment and recognizes afterschool can help advance equity.



Vermont

In October 2020, Vermont legalized adult-use cannabis with S. 54 (Act 164). While the law may not be fully implemented until 2022, Act 164 dedicates 30% of the excise tax, up to \$10 million per year, to substance misuse prevention efforts. Retail sales will be taxed at a rate of 6%, which will fund a grant program to start or expand afterschool and summer learning programs, with a focus on increasing access in underserved areas of the state.

BEST PRACTICE HIGHLIGHT



100% of cannabis sales tax revenue is dedicated to afterschool and summer learning programs.



Additionally, some of the early states to legalize adult-use cannabis, including Colorado, Washington, and California, have used cannabis revenue to fund programs for youth that are designed to provide education about and prevent substance use.



Recommendation

Using cannabis tax revenue to fund positive youth development programs like afterschool is a powerful tool for reinvesting in underserved communities. By directing cannabis revenue to afterschool and summer learning programs, policymakers can take a proactive approach that promotes healthy development, decreases substance use and misuse, and decreases risky behaviors, while investing in historically underserved communities.

