

**To:** Mary Waters, Councilmember, At-Large  
**From:** Anthony Zander, Director, Civil Rights, Inclusion & Opportunity Department  
**Date:** March 28, 2025  
**Re:** **Responses to 2025-2026 CRIO Budget Analysis**

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Please find below responses to your questions sent on 3/18/25, regarding the Fiscal Year 2026 Proposed Budget for the Civil Rights, Inclusion & Opportunity Department.

**1. Please describe how marijuana business tax revenues are expected to change over the coming years with the continuing challenges in the marketplace and the possibility of increased state taxes for road funding.**

This response assumes that the question refers to revenue sharing of the state excise tax authorized by the Michigan Regulation and Taxation of Marijuana Act. Currently, the statute imposes a 10% excise tax on retail sales. Of the total revenues raised by this excise, 15% is allocated by appropriation to municipalities in which a marijuana retailer or marijuana microbusiness is located, allocated in proportion to the number of marijuana retailers and marijuana microbusinesses within each municipality as of September 30 each year. The current number of state licensed retailers in Detroit is 58. The amount of revenue sharing received by the City of Detroit could change based on several independent factors including but not limited to:

- a. Increases or decreases in the number of retail facilities in Detroit;
- b. Increases or decreases in the amount of excise tax collected by the state treasury;
- c. Increases or decreases in the number of retail facilities across Michigan, which would impact each municipality's proportionate share; and/or
- d. the MRTMA statute is amended in a way that would impact the revenue share (would require  $\frac{3}{4}$  of state legislature to approve an amendment).

As for the remainder of the excise tax, 35% is already allocated to the Michigan transportation fund to be used for the repair and maintenance of roads and bridges, 35% to the school aid fund to be used for K-12 education, as well as 15% to counties in which a marijuana retailer or marijuana microbusiness is located, allocated in proportion to the number of marijuana retailers and marijuana microbusinesses within each county.

**2. Please explain how the Department is working to provide the new Veteran Affairs Manager with increased support, including the hiring plan to build out a greater staff over the coming years.**

CRIO understands the importance of serving our veterans and we are committed to getting it right. CRIO plans to take assessments and conduct listening tours. After

assessments are completed, CRIO will start to build programming based on the needs of the veteran community. We look forward to continuing to work with all of our partners to support our veterans and the first ever Veteran Affairs Manager for the City of Detroit. We will assess the need of staffing once the program assessment is complete.

**3. Please explain any impact that the President's executive order on English as the 'official language' of the United States could have on CRIO's language access services for Detroiters.**

CRIO does not anticipate any impact by Executive Order 14224, titled Designating English as the Official Language of the United States. CRIO will continue to operate pursuant to Chapter 23 (Human Rights) in the Detroit Municipal Code, and all other state and federal statutes that require and encourage language accessibility.

**4. Please explain any funding streams that CRIO receives that may be impacted by the federal government shutting down programs and support as part of the President's orders against diversity, equity, and inclusionary efforts**

CRIO has not altered any programming or operations due to any federal executive orders. Our local ordinances, state laws, and mayoral executive orders continue to guide our efforts in these areas.