



**Testimony Re: House Bill 5829 -THE RHODE ISLAND CANNABIS ACT
HOUSE COMMITTEE ON CORPORATIONS**

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Mr. Chairman and members of the Committee, thank you for the opportunity to provide testimony today. The Rhode Island Afterschool Network supports elements of House Bill 5829 to invest **cannabis tax revenue in out-of-school time (OST) programs**. We thank Representative Felix for sponsoring this bill and Representatives Potter, Morales, Alzate, Batista, Sanchez, Kislak, Stewart, Cruz, and Kazarian for co-sponsoring. This bill proposes multiple changes to the Cannabis Act concerning license applications, the Social Equity Assistance Program, and the use of cannabis tax revenue.

The Rhode Island Afterschool Network (RIAN) is one of the 50 national afterschool networks dedicated to informing policy, developing partnerships, and shaping practices to sustain and increase the quality of afterschool programs nationwide.

High-quality, organized after-school and summer programs provide a safe, structured environment for youth, reducing the likelihood of engaging in risky behaviors such as substance use, delinquency, and crime. Research shows that youth who consistently participate in OST programs demonstrate improved competence, social-emotional growth, and stronger connections to their peers and community. These programs foster critical skills such as problem-solving, self-management, and leadership while also offering engaging activities that enhance learning.

Yet, access to OST programs remains deeply **unequal** in Rhode Island. Our state has the **largest gap in after-school participation between low-income and higher-income youth in the nation**. A national survey found that while **42% of mid-to-high-income youth participate in structured after-school programs, only 20% of low-income youth have the same opportunity—a 22-percentage-point gap**, compared to the national average of 8 percentage points. Without proper investments, these disparities will persist, leaving the most vulnerable youth without the benefits these programs provide.

Cannabis tax revenue presents a **sustainable** funding source to expand OST programs, 24 states have legalized adult-use cannabis and eight (Alaska, California, Colorado, Illinois, Connecticut, New York, New Jersey, and Vermont) are using funds for youth development:

- **New York** directs 40% of cannabis sales tax revenue to a Community Grants Reinvestment Fund, prioritizing afterschool and youth-serving programs in communities impacted by the war on drugs. The fund is expected to generate \$350 million annually when fully implemented
- **Illinois** allocates 25% of all cannabis revenue to its Restore, Reinvest, and

Renew (R3) program, which funds youth development and after-school programming in communities affected by economic disinvestment, crime, and incarceration

- **Alaska** dedicates a portion of cannabis excise tax revenue to the Positive Youth Development Afterschool Program, which supports evidence-based after-school and summer learning opportunities

Afterschool programs are a proven, cost-effective strategy for preventing youth substance use and risky behaviors. The total cost of enrolling a child in an afterschool program from kindergarten through 12th grade ranges from \$17,800 to \$41,600, while the lifetime cost of a single substance user to the U.S.—including lost earnings and tax revenue—can reach **\$840,000 to \$1.1 million**. Research shows that **2-6 PM** is the peak time for youth crime, drug use, and delinquency. Out-of-school time (OST) programs operate during these critical hours, providing safe, engaging environments where youth develop essential life skills, confidence, and positive relationships with mentors.

At a time when **youth mental health concerns are rising**, investing in OST programs is not just about keeping kids busy—it's about keeping them safe, supported, and prepared for the future. Rhode Island must **close the gap in access** and ensure that all youth, regardless of income, have opportunities to learn and grow outside of school hours.

Afterschool programs also play a critical role in developing Rhode Island's future workforce. By providing young people with early exposure to career-focused learning experiences, OST programs help students build foundational job skills, explore diverse career paths, and gain valuable real-world experience through internships, apprenticeships, and mentorship opportunities. This not only prepares our youth for success in a rapidly evolving job market but also helps address current workforce shortages by creating direct pipelines between educational programs and local industries. Investment in OST programs is therefore not only an investment in our youth but also in the long-term economic health and competitiveness of Rhode Island.

We urge this committee to **support the allocation of cannabis tax revenue to OST programs** as a proven, impactful investment in Rhode Island's children, families, and communities.

Thank you for the opportunity to provide testimony today.