

SB0516/863829/1

BY: Finance Committee

AMENDMENTS TO SENATE BILL 516
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 4, after the semicolon, insert “establishing the Maryland Cannabis Administration as an independent unit of State government;”; in line 5, strike “Commission” and substitute “Administration”; strike beginning with “establishing” in line 9 down through “Commission” in line 10; in lines 11, 16, 17, 25, and 27, in each instance, strike “Division” and substitute “Administration”; and in line 20, strike “local jurisdictions” and substitute “political subdivisions”.

On page 2, in line 3, after “Program;” insert “requiring the Administration to contract with an independent consultant to complete a study on wholesale cannabis licenses; requiring the study to be submitted to certain persons on or before a certain date; requiring the Maryland Economic Development Corporation to identify certain locations and submit a certain report to the General Assembly; requiring the Administration to study and report on certain matters relating to on-site consumption and certain cannabis products; requiring that certain growers be awarded certain dispensary licenses under certain circumstances; providing that certain businesses that were awarded certain approval for a processor license be entered into a certain lottery;”;

after line 28, insert:

“BY renumbering

Article - Alcoholic Beverages

Section 1-101(d) through (y) and (z) through (ii)

to be Section 1–101(e) through (z) and (bb) through (kk), respectively

Annotated Code of Maryland

(2016 Volume and 2022 Supplement)”;

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after line 33, insert:

“BY adding to

Article – Alcoholic Beverages

Section 1-101(d) and (aa), 1–309.1, 1–309.2, and 1–323; and 36–101 through 36–
1507 to be under the new division “Division III. Cannabis”

Annotated Code of Maryland

(2016 Volume and 2022 Supplement)

BY repealing and reenacting, with amendments,

Article - Alcoholic Beverages

Section 1-101(g) and (r)

Annotated Code of Maryland

(2016 Volume and 2022 Supplement)

(As enacted by Section 4 of this Act)”;

and in line 36, strike “1–101(f) and (g)” and substitute “1–202”.

On pages 2 and 3, strike in their entirety the lines beginning with line 41 on page 2 through line 5 on page 3, inclusive.

On page 3, in line 34, after “Section” insert “6–201(e) and”.

On page 4, after line 1, insert:

“BY repealing and reenacting, with amendments,

Article - State Personnel and Pensions

Section 23-201(a)(13) and (14) and 26-201(a)(22)

Annotated Code of Maryland

(2015 Replacement Volume and 2022 Supplement)

BY adding to

Article - State Personnel and Pensions
Section 23-201(a)(15)
Annotated Code of Maryland
(2015 Replacement Volume and 2022 Supplement)”;

and in line 22, after “4.” insert “AND BE IT FURTHER ENACTED, That Section(s) 1–101(d) through (y) and (z) through (ii) of Article – Alcoholic Beverages of the Annotated Code of Maryland be renumbered to be Section(s) 1–101(e) through (z) and (bb) through (kk), respectively.

SECTION 5.”.

AMENDMENT NO. 2

On page 4, after line 26, insert:

“(D) (1) “CANNABIS” MEANS THE PLANT CANNABIS SATIVA L. AND ANY PART OF THE PLANT, INCLUDING ALL DERIVATIVES, EXTRACTS, CANNABINOID, ISOMERS, ACIDS, SALTS, AND SALTS OF ISOMERS, WHETHER GROWING OR NOT, WITH A DELTA-9-TETRAHYDROCANNABINOL CONCENTRATION GREATER THAN 0.3% ON A DRY WEIGHT BASIS.

(2) “CANNABIS” INCLUDES CANNABIS PRODUCTS.

(3) “CANNABIS” DOES NOT INCLUDE HEMP OR HEMP PRODUCTS, AS DEFINED IN § 14–101 OF THE AGRICULTURE ARTICLE.”;

in lines 27 and 29, strike “(f)” and “(q)”, respectively, and substitute “(g)” and “(r)”, respectively; and in line 29, strike “BEVERAGE” and substitute “BEVERAGES”.

On page 5, after line 2, insert:

(Over)

“(AA) “POLITICAL SUBDIVISION” MEANS A COUNTY OR A MUNICIPALITY.

1–202.

(a) To the extent that a statement of a general rule of law conflicts or is inconsistent with an exception or a qualification applicable to a special area, particular person, or set of circumstances, the exception or qualification prevails.

(b) A provision in Division II of this article prevails over a conflicting or inconsistent provision in Division I of this article or a provision in the Tax – General Article relating to alcoholic beverages.

(C) A PROVISION IN DIVISION III OF THIS ARTICLE PREVAILS OVER A CONFLICTING OR INCONSISTENT PROVISION IN DIVISION I OF THIS ARTICLE OR A PROVISION IN THE TAX – GENERAL ARTICLE RELATING TO CANNABIS.”;

strike beginning with “TWO” in line 18 down through “INDUSTRY” in line 19 and substitute “**ONE SHALL HAVE EXPERTISE IN CANNABIS RESEARCH AND POLICY;**

(V) ONE SHALL HAVE EXPERTISE IN ALCOHOL AND TOBACCO POLICY”;

and in line 20, strike “(V)” and substitute “**(VI)**”.

On page 8, in line 28, strike “WITHIN” and substitute “**IN**”.

On page 9, in line 27, strike “COMMISSION” and substitute “**MARYLAND CANNABIS ADMINISTRATION**”; and in line 31, after the semicolon, insert “**AND**”.

On page 10, strike beginning with the semicolon in line 2 down through “**ARTICLE**” in line 5; in line 6, after “**(E)**” insert “**(1)**”; strike beginning with “**AND**” in line 9 down through “**WERE**” in line 10 and substitute “**WAS**”; after line 11, insert:

“(2) THE REPORT SHALL ALSO BE SUBMITTED TO THE GENERAL ASSEMBLY IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE.”;

and strike beginning with “**AND**” in line 15 down through “**ARTICLE**” in line 16.

On page 13, in line 20, after “tobacco” insert “**OR CANNABIS**”.

On page 15, in line 19, strike “local jurisdiction” and substitute “**POLITICAL SUBDIVISION THAT RECEIVES FUNDS FROM THE FUND UNDER PARAGRAPH (1) OF THIS SUBSECTION**”.

On page 18, strike in their entirety lines 16 through 23, inclusive; and in line 27, after “**LICENSED**” insert “**OR REGISTERED**”.

On page 21, strike in their entirety lines 29 and 30; and in line 31, strike “**(O)**” and substitute “**(N)**”.

On page 22, in lines 3, 8, 11, 18, and 23, strike “**(P)**”, “**(Q)**”, “**(R)**”, “**(S)**”, and “**(U)**”, respectively, and substitute “**(O) (1)**”, “**(P)**”, “**(Q)**”, “**(R)**”, and “**(S)**”, respectively.

On page 23, in lines 4, 9, 11, 15, 17, 20, and 22, strike “**(V)**”, “**(W)**”, “**(X)**”, “**(Y)**”, “**(Z)**”, “**(AA)**”, and “**(BB)**”, respectively, and substitute “**(T)**”, “**(U)**”, “**(V)**”, “**(X)**”, “**(Y)**”, “**(Z)**”, and “**(AA)**”, respectively; in line 10, strike “**§ 36-401**” and substitute “**§ 36-401(C)(3)**”; after line 14, insert:

(Over)

“(W) ‘INSTITUTION OF HIGHER EDUCATION’ HAS THE MEANING STATED IN § 10–101 OF THE EDUCATION ARTICLE.”;

in lines 15 and 16, strike “§ 36–401” and substitute “§ 36–401(C)(2)”; and in line 18, after “UNDER” insert “§ 36–401(C)(4) OF”.

On page 24, in line 22, strike “§ 36–401” and substitute “§ 36–401(C)(1)”.

On page 27, in line 12, after “LICENSE” insert “OR REGISTRATION”.

On page 28, in line 25, after “LICENSEES” insert “OR REGISTRANTS”.

On page 32, in line 5, after “(J)” insert “(1)”; and after line 7, insert:

“(2) THE REPORT SHALL ALSO BE SUBMITTED TO THE GENERAL ASSEMBLY IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT ARTICLE.”.

On page 38, in line 14, strike “, ONLY”.

On page 41, in line 17, strike “DIVISION” and substitute “NATALIE M. LAPRADE MEDICAL CANNABIS COMMISSION”.

On page 48 in line 28, and on page 49 in lines 3, 8, and 17 and 18, in each instance, strike “LOCAL JURISDICTION” and substitute “POLITICAL SUBDIVISION”.

On page 49, in line 9, strike “JURISDICTIONS” and substitute “POLITICAL SUBDIVISIONS”; and in line 8, strike “ESTABLISHMENTS” and substitute “BUSINESSES”.

On page 59, in line 30, after “(A)” insert “IN THIS SECTION, “FUND” MEANS THE MEDICAL CANNABIS COMPASSIONATE USE FUND.”

(B)”.

On page 60, in lines 1, 10, and 17, strike “(B)”, “(C)”, and “(D)”, respectively, and substitute “(C)”, “(D)”, and “(E)”, respectively; in lines 2, 5, 10, 17, 20, 22, 27, and 31, in each instance, strike “COMPASSIONATE USE”; strike in their entirety lines 23 through 26, inclusive, and substitute:

“(F) THE FUND CONSISTS OF:

(1) FEES ESTABLISHED UNDER SUBSECTION (C)(1)(II) OF THIS SECTION;

(2) FINES ASSESSED BY THE ADMINISTRATION UNDER THIS TITLE;

(3) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

(4) INTEREST EARNINGS; AND

(5) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.

(G) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO THE FUND.”;

(Over)

and in lines 27 and 30, strike “(4)” and “(5)”, respectively, and substitute “(H)” and “(I)”, respectively.

On page 61, in lines 1, 5, and 7, strike “(E)”, “(F)”, and “(G)”, respectively, and substitute “(J)”, “(K)”, and “(L)”, respectively; and in lines 1 and 5, in each instance, strike “COMPASSIONATE USE”.

On page 64, in lines 14 and 21, in each instance, strike “ADVERTISEMENTS” and substitute “AN ADVERTISEMENT”; and in line 15, strike “MAKE” and substitute “MAKES”.

On page 66, in line 9, strike “IF A PERSON WOULD LIKE TO” and substitute “TO”; in line 10, strike “THE” and substitute “A”; and in line 11, strike “MUST” and substitute “SHALL”.

On page 70, in line 24, after “CANNABIS” insert “THAT IS AUTHORIZED UNDER THIS TITLE”.

On page 72, in line 10, strike “ANY PERSON” and substitute “AN INDIVIDUAL”.

On page 85, in line 28, strike “5.” and substitute “6.”.

On page 86, in lines 1, 14, 23, and 28, strike “6.”, “7.”, “8.”, and “9.”, respectively, and substitute “7.”, “8.”, “9.”, and “10.”, respectively; and strike beginning with “June” in line 14 down through “2023” in line 15 and substitute “the effective date of this Act”.

On page 87, in lines 19, 21, 27, 31, and 35, strike “4”, “4”, “4”, “4”, and “4”, respectively, and substitute “5”, “5”, “5”, “5”, and “5”, respectively.

On page 88, in lines 6 and 12, strike “12.” and “13.”, respectively, and substitute “17.” and “18.”, respectively.

AMENDMENT NO. 3

On page 16, after line 1, insert:

“(5) “OFFICE” MEANS THE OFFICE OF SOCIAL EQUITY.”;

in line 2, strike **“(5)”** and substitute **“(6)”**; in line 14, strike **“(6)”** and substitute **“(7)(1)”**; after line 16, insert:

“(II) “SOCIAL EQUITY LICENSEE” INCLUDES A GROWER OR PROCESSOR LICENSEE THAT:

1. HELD A STAGE ONE PREAPPROVAL FOR A LICENSE BEFORE OCTOBER 1, 2022; AND

2. WAS NOT OPERATIONAL BEFORE OCTOBER 1, 2022.”;

and in lines 22, 26, and 28, in each instance, strike **“COMMISSION”** and substitute **“OFFICE”**.

On page 17, in lines 3, 14, and 20, in each instance, strike **“COMMISSION”** and substitute **“OFFICE”**.

On page 30, in line 13, strike **“AND”**; in line 15, after **“LABORATORIES”** insert **“;**
AND

(6) IDENTIFYING AND DETECTING THE PRESENCE AND PURITY OF CANNABIS, ALCOHOL, AND TOBACCO IN SAMPLES OR SEIZED CONTRABAND IN SUPPORT OF THE REGULATORY AUTHORITY OF THE COMMISSION”;

(Over)

and in line 25, strike “DIVISION” and substitute “TITLE”.

On page 31, in lines 8 and 24, in each instance, strike “DIVISION” and substitute “TITLE”.

On page 61, in line 26, after “DISPENSARY” insert “OR A SUPPLIER OF CANNABIS THAT IS LICENSED BY ANY FEDERAL AGENCY TO SUPPLY CANNABIS TO RESEARCHERS”.

On page 63, strike beginning with “JUNE” in line 11 down through “ON” in line 12 and substitute “AUGUST 1 EACH YEAR, EACH CANNABIS LICENSEE AND CANNABIS REGISTRANT SHALL REPORT TO THE ADMINISTRATION INFORMATION DETERMINED BY THE ADMINISTRATION TO BE NECESSARY TO CONTINUE TO ASSESS THE NEED FOR REMEDIAL MEASURES IN THE CANNABIS INDUSTRY AND MARKET, INCLUDING”; in line 16, strike “AND”; in line 18, after “REGISTRANT” insert “:”.

(4) A LIST OF THE LICENSEE’S OR REGISTRANT’S EXPENDITURES FOR THE PRIOR STATE FISCAL YEAR; AND

(5) FOR EACH EXPENDITURE:

(I) A DESCRIPTION OF THE WORK PERFORMED;

(II) THE DOLLAR VALUE OF THE EXPENDITURE;

(III) WHETHER THE WORK WAS PERFORMED BY THE LICENSEE OR A CONTRACTOR OR SUBCONTRACTOR; AND

(IV) IF THE WORK WAS PERFORMED BY A CONTRACTOR OR SUBCONTRACTOR, THE NAME OF THE ENTITY THAT PERFORMED THE WORK.

(B) ALL DATA PROVIDED BY A LICENSEE OR REGISTRANT UNDER SUBSECTION (A)(4) AND (5) OF THIS SECTION:

(1) SHALL CONSTITUTE CONFIDENTIAL COMMERCIAL AND FINANCIAL INFORMATION AND BE TREATED AS CONFIDENTIAL BY THE ADMINISTRATION AND THE STATE; AND

(2) MAY BE USED ONLY FOR THE PURPOSES AUTHORIZED UNDER THIS SECTION AND MAY ONLY BE DISCLOSED TO THE PUBLIC IN AN ANONYMIZED OR AGGREGATED FORMAT.

(C) ON OR BEFORE AUGUST 15 EACH YEAR, THE ADMINISTRATION SHALL PROVIDE THE DATA COLLECTED UNDER SUBSECTION (A) OF THIS SECTION TO THE CERTIFICATION AGENCY DESIGNATED BY THE BOARD OF PUBLIC WORKS UNDER § 14-303(B) OF THE STATE FINANCE AND PROCUREMENT ARTICLE”;

in line 19, strike “(B)” and substitute “(D)”; and in line 21, strike “(A)” and substitute “(A)(1) THROUGH (3)”.

On page 65, in line 31, strike the colon.

On page 66, in line 1, strike “(1)”; and strike beginning with the semicolon in line 1 down through “SERVICES” in line 6.

On page 71, in line 1, strike “§ 36-701” and substitute “SUBTITLE 7”.

On page 73, after line 24, insert:

(Over)

“(C) “DEPARTMENT” MEANS THE DEPARTMENT OF COMMERCE.”;

and in line 25, strike **“(C)”** and substitute **“(D)”**.

On page 74, in line 2, strike **“(D)”** and substitute **“(E)”**; strike beginning with **“FINANCIAL”** in line 14 down through **“INSTITUTION”** in line 15 and substitute **“LENDER”**; in line 22, strike **“IF A LENDER WOULD LIKE TO”** and substitute **“TO”**; strike beginning with the second **“THE”** in line 22 down through **“MUST”** in line 23 and substitute **“A LENDER SHALL”**.

On page 75 in line 21, on page 76 in lines 4 and 29, on page 77 in lines 1, 7, 8, 11, 15, 18, 19, 22, 24, 27, and 30, on page 78 in lines 2, 9, 13, 16, 20, 23, and 31, and on page 79 in lines 9, 11, 19, and 25, in each instance, strike **“LEGITIMATE”**.

On page 75, after line 29, insert:

**“(C) “DEPOSITORY INSTITUTION” MEANS A STATE-CHARTERED OR
FEDERALLY CHARTERED FINANCIAL INSTITUTION, OTHER-STATE BANK, OR
FOREIGN BRANCH THAT:**

**(1) IS LOCATED IN THE STATE OR MAINTAINS BRANCHES IN THE
STATE; AND**

(2) IS AUTHORIZED TO MAINTAIN ACCOUNTS.”;

and in line 30, strike **“(C)”** and substitute **“(D)”**.

On pages 75 and 76, strike beginning with the colon in line 30 on page 75 through **“(I)”** in line 1 on page 76.

On page 76, in lines 3 and 5, strike “**1.**” and “**2.**”, respectively, and substitute “**(I)**” and “**(II)**”, respectively; in line 21, strike “**STATE BANKING REGULATOR**” and substitute “**THE OFFICE OF FINANCIAL REGULATION**”.

On page 77, in line 3, strike “**NOT TO**” and substitute “**TO NOT**”.

On page 78, in line 7, strike “**TITLE**”.

On page 84, after line 6, insert:

“**6-201.**

(e) **“Financial institution” means:**

(1) **any banking institution;**

(2) **any national banking association;**

(3) **an institution that is incorporated under the laws of any other state as a bank; [and] OR**

(4) **an institution that is incorporated under the laws of this State or of the United States as a savings and loan association.”.**

AMENDMENT NO. 4

On page 19, in line 17, strike “**A DELIVERY SERVICE,**”.

On page 22, in line 12, strike “**REPACKAGES,**”.

On page 23, in line 5, strike the first comma and substitute “**OR**”; and in the same line, strike “**, OR DISTRIBUTES**”.

(Over)

AMENDMENT NO. 5

On page 22, in lines 4 and 6, strike “(1)” and “(2)”, respectively, and substitute “(I)” and “(II)”, respectively; and after line 7, insert:

“(2) “CONTROL” INCLUDES:

(I) HOLDING A RIGHT TO VETO SIGNIFICANT EVENTS;

(II) THE RIGHT OR AUTHORITY TO MAKE OR VETO DECISIONS REGARDING OPERATIONS AND STRATEGIC PLANNING, CAPITAL ALLOCATIONS, ACQUISITIONS, AND DIVESTMENTS;

(III) THE RIGHT OR AUTHORITY TO APPOINT OR REMOVE DIRECTORS, CORPORATE-LEVEL OFFICERS, OR THEIR EQUIVALENT;

(IV) THE RIGHT OR AUTHORITY TO MAKE MAJOR MARKETING, PRODUCTION, AND FINANCIAL DECISIONS; AND

(V) THE RIGHT OR AUTHORITY TO EXECUTE EXCLUSIVE CONTRACTS OR SIGNIFICANT CONTRACTS IN THE AGGREGATE OF \$10,000 OR GREATER ON BEHALF OF THE LICENSEE.”.

On page 23, after line 23, insert:

“(BB) “PASSIVE INVESTOR” MEANS A PERSON OR AN ENTITY THAT:

(1) HOLDS AN AGGREGATE OWNERSHIP INTEREST OF LESS THAN 5% IN A CANNABIS LICENSEE; AND

(2) DOES NOT HAVE CONTROL OF THE CANNABIS LICENSEE.”.

On page 36, in line 8, after “IF” insert “:

1.”;

and in line 9, after “SUBTITLE” insert “;AND

2. THE BUSINESS COMPLIES WITH THE OWNERSHIP
RESTRICTIONS UNDER SUBSECTION (E) OF THIS SECTION”.

On page 39, after line 4, insert:

“(4) THE RESTRICTIONS IN PARAGRAPH (2) OF THIS SUBSECTION
DO NOT APPLY TO A PERSON OR AN ENTITY WHO HOLDS AN OWNERSHIP INTEREST
ONLY AS A PASSIVE INVESTOR.”.

On page 41, after line 18, insert:

“(E) (1) ON OR BEFORE JULY 1, 2024, THE ADMINISTRATION SHALL
ADOPT MINIMUM STANDARDS FOR LICENSED GROWERS TO PROTECT THE RIGHTS
OF THE GROWERS AND EMPLOYEES CONCERNING GRIEVANCES, LABOR
DISPUTES, WAGES, RATES OF PAY, HOURS, OR OTHER TERMS OR CONDITIONS OF
EMPLOYMENT.

(2) THE STANDARDS SHALL, AT A MINIMUM, PROTECT THE
STATE’S INTERESTS BY PROHIBITING A LABOR ORGANIZATION FROM ENGAGING
IN PICKETING, WORK STOPPAGES, BOYCOTTS, OR ANY OTHER ECONOMIC
INTERFERENCE WITH THE OPERATION OF THE LICENSED GROWER.

(Over)

(3) AS A CONDITION OF LICENSURE, THE LICENSED GROWER SHALL:

(I) COMPLY WITH THE STANDARDS ADOPTED UNDER PARAGRAPH (1) OF THIS SUBSECTION; AND

(II) NEGOTIATE IN GOOD FAITH WITH EMPLOYEES AND ANY LEGITIMATE LABOR ORGANIZATION RECOGNIZED BY THE ADMINISTRATION.”.

On page 55, in line 23, strike “JANUARY” and substitute “**JULY**”; and in line 26, strike “AN INDIVIDUAL” and substitute “**A PERSON**”.

On page 57, in line 12, after the first “THE” insert “**DISABILITY, INCAPACITY, OR**”; in the same line, after “LICENSE” insert “**, THE BANKRUPTCY OF A CANNABIS LICENSEE, OR COURT ORDER**”; after line 12, insert:

“(4) THE LIMITATIONS UNDER THIS SUBSECTION DO NOT APPLY TO A TRANSFER OF OWNERSHIP THAT IS THE SUBJECT OF A LEGALLY BINDING SETTLEMENT AGREEMENT RESULTING FROM LITIGATION COMMENCED ON OR BEFORE JANUARY 1, 2023.”;

in line 14, after “(A)” insert “**(1)**”; in line 16, strike “A STOCKHOLDER,”; and after line 19, insert:

“(2) “OWNER” DOES NOT INCLUDE A STOCKHOLDER.

(B) THE PROVISIONS IN THIS SECTION ARE IN ADDITION TO THE CONFLICT OF INTEREST PROVISIONS IN TITLE 5 OF THE GENERAL PROVISIONS ARTICLE.”;

in line 20, strike “(C)” and substitute “(D)”; in lines 20 and 27, strike “(B)” and “(C)”, respectively, and substitute “(C)” and “(D)”, respectively; and in line 27, strike “A” and substitute “SUBJECT TO THE PROVISIONS OF TITLE 5 OF THE GENERAL PROVISIONS ARTICLE,”.

On page 58, in lines 1, 6, and 12, strike “(D)”, “(E)”, and “(F)”, respectively, and substitute “(E)”, “(F)”, and “(G)”, respectively.

AMENDMENT NO. 6

On page 39, in line 28, after “PARAGRAPH” insert “AND SUBJECT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH”.

On page 40, in line 17, after “(III)” insert “AN OPERATIONAL BUSINESS DESCRIBED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY BEGIN TO EXPAND ITS CANOPY OF OPERATIONS:”

1. BY NOT MORE THAN 50% OF THE TOTAL SQUARE FOOTAGE AUTHORIZED UNDER SUBPARAGRAPH (I) OR (II) OF THIS PARAGRAPH ON OR AFTER JANUARY 1, 2024; AND

2. FOR THE REMAINING TOTAL SQUARE FOOTAGE AUTHORIZED UNDER SUBPARAGRAPH (I) OR (II) OF THIS PARAGRAPH ON OR AFTER MAY 1, 2024.

(IV)”;

and in line 30, after “REPORT” insert “ANNUALLY”.

On page 41, in line 23, after “(2)” insert “(I)”; in the same line, strike “EACH GROWER OR PROCESSOR” and substitute “SUBJECT TO SUBSECTION (E) OF THIS”

(Over)

SECTION AND EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, EACH GROWER, PROCESSOR, AND DISPENSARY"; in the same line, strike "THE FOLLOWING" and substitute "A"; in line 24, strike "BASED ON" and substitute "OF 10% OF"; in line 25, strike "GROWER OR PROCESSOR IN 2022:" and substitute "GROWER, PROCESSOR, OR DISPENSARY IN 2022, BUT NOT MORE THAN \$2,000,000.

(II) THE AMOUNT OF THE CONVERSION FEE IN SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY NOT BE LESS THAN \$100,000."

On pages 41 and 42, strike in their entirety the lines beginning with line 26 on page 41 through line 6 on page 42, inclusive.

On page 42, strike in their entirety lines 9 through 25, inclusive; and in line 26, strike "(C)" and substitute "(B)".

On page 43, in lines 2 and 4, in each instance, strike "A" and substitute "SUBJECT TO SUBSECTION (E) OF THIS SECTION, A"; in lines 6 and 13, strike "(D)" and "(E)", respectively, and substitute "(C)" and "(D)", respectively; in line 13, strike "PARAGRAPH (2)" and substitute "PARAGRAPHS (2) AND (3)"; in line 15, strike "THE" and substitute "EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, THE"; in line 16, after "SUBSECTION" insert "FOR STANDARD CANNABIS LICENSEES"; in the same line, after "EXCEED" insert "THE LESSER OF"; in the same line, after "THE" insert "STANDARD"; in line 17, after "REVENUE" insert "OR \$50,000"; after line 17, insert:

"(3) THE ADMINISTRATION SHALL REDUCE LICENSING AND RENEWAL FEES BY AT LEAST 50% FOR SOCIAL EQUITY LICENSES, MICRO LICENSES, INCUBATOR SPACE LICENSES, AND ON-SITE CONSUMPTION LICENSES."

and in line 18, strike “(F)” and substitute “(E) (1) THE ONE-TIME
CONVERSION FEES UNDER THIS SECTION:

(I) MAY BE PAID IN SEPARATE INSTALLMENTS; AND

(II) SHALL BE PAID IN FULL ON OR BEFORE JANUARY 1,
2025.

(2) THE AMOUNT OF ANY RENEWAL FEE PAID BY A BUSINESS FOR
FISCAL YEAR 2024 TO THE NATALIE M. LAPRADE MEDICAL CANNABIS
COMMISSION SHALL BE CREDITED AGAINST THE ONE-TIME CONVERSION FEE
ASSESSED UNDER THIS SECTION.

(F)”.

On page 54, in line 20, strike “DIVISION” and substitute “NATALIE M.
LAPRADE MEDICAL CANNABIS COMMISSION”.

On page 55, after line 24, insert:

“(F) A CANNABIS LICENSEE SHALL REQUIRE EACH REGISTERED
CANNABIS AGENT TO COMPLETE AN ANNUAL RESPONSIBLE VENDOR TRAINING
PROGRAM AUTHORIZED UNDER THIS TITLE.

(G) A REGISTRATION OF A CANNABIS AGENT ISSUED BY THE NATALIE M.
LAPRADE MEDICAL CANNABIS COMMISSION ON OR BEFORE JULY 1, 2023,
SHALL:

(1) BE VALID UNDER THIS TITLE; AND

(Over)

(2) AUTHORIZE THE CANNABIS AGENT TO BE EMPLOYED BY OR VOLUNTEER WITH A LICENSED CANNABIS BUSINESS.”.

AMENDMENT NO. 7

On page 46, after line 10, insert:

“(E) FOR THE SECOND ROUND OF LICENSING, THE ADMINISTRATION SHALL ISSUE LICENSES IN ACCORDANCE WITH SUBSECTION (F) OR (G) OF THIS SECTION.”;

in line 11, strike “(E)” and substitute “(F)”; in the same line, after “THE” insert **“ADMINISTRATION, IN CONSULTATION WITH THE CERTIFICATION AGENCY DESIGNATED BY THE BOARD OF PUBLIC WORKS UNDER § 14-303(B) OF THE STATE FINANCE AND PROCUREMENT ARTICLE, THE GOVERNOR’S OFFICE OF SMALL, MINORITY, AND WOMEN BUSINESS AFFAIRS, THE GENERAL ASSEMBLY, AND THE”**; in line 12, after “GENERAL” insert a comma; strike beginning with the second “THE” in line 12 down through “INDUSTRY” in line 16 and substitute **“A DISPARITY STUDY DEMONSTRATES A STRONG BASIS IN EVIDENCE OF BUSINESS DISCRIMINATION AGAINST FIRMS OWNED BY MINORITIES AND WOMEN IN THE MARYLAND CANNABIS MARKET”**; strike beginning with “ENTER” in line 16 down through “AND” in line 18; and in line 18, strike “TO THE APPLICANTS” and substitute **“A SECOND ROUND OF LICENSES, EMPLOYING REMEDIAL MEASURES CONSISTENT WITH CONSTITUTIONAL REQUIREMENTS, FOR”**.

On page 47, strike in their entirety lines 1 through 12, inclusive, and substitute:

“(2) IF THE ADMINISTRATION, IN CONSULTATION WITH THE CERTIFICATION AGENCY DESIGNATED BY THE BOARD OF PUBLIC WORKS UNDER § 14-303(B) OF THE STATE FINANCE AND PROCUREMENT ARTICLE, THE GOVERNOR’S OFFICE OF SMALL, MINORITY, AND WOMEN BUSINESS AFFAIRS,

THE GENERAL ASSEMBLY, AND THE OFFICE OF THE ATTORNEY GENERAL, DETERMINES THAT A LOTTERY SYSTEM EMPLOYING REMEDIAL MEASURES ESTABLISHED IN ACCORDANCE WITH A DISPARITY STUDY CAN BE CONDUCTED CONSISTENT WITH CONSTITUTIONAL REQUIREMENTS, THE ADMINISTRATION SHALL AWARD LICENSES UNDER PARAGRAPH (1) OF THIS SUBSECTION THROUGH A LOTTERY PROCESS THAT EMPLOYS REMEDIAL MEASURES.”;

in line 13, strike “(F)” and substitute “(G)”; in line 14, after the first “THE” insert “ADMINISTRATION, IN CONSULTATION WITH THE CERTIFICATION AGENCY DESIGNATED BY THE BOARD OF PUBLIC WORKS UNDER § 14-303(B) OF THE STATE FINANCE AND PROCUREMENT ARTICLE, THE GOVERNOR’S OFFICE OF SMALL, MINORITY, AND WOMEN BUSINESS AFFAIRS, THE GENERAL ASSEMBLY, AND THE”; in the same line, after “GENERAL” insert a comma; strike beginning with the third “THE” in line 14 down through the second “OF” in line 16; and in line 16, after “STUDY” insert “DOES NOT DEMONSTRATE A STRONG BASIS IN EVIDENCE OF BUSINESS DISCRIMINATION AGAINST FIRMS OWNED BY MINORITIES AND WOMEN IN THE MARYLAND CANNABIS MARKET”.

On page 48, in line 14, strike “SECOND ROUND APPLICATION” and substitute “APPLICATION”; in line 16, strike “(G)” and substitute “(H)”; in line 17, strike “PARAGRAPH (2)” and substitute “SUBSECTION (F) OR (G)”; in the same line, strike “SUBSECTION” and substitute “SECTION”; in line 18, after “LICENSES” insert “IN ACCORDANCE WITH THIS SUBSECTION.”

(2) THE ADMINISTRATION SHALL AWARD LICENSES”;

in line 19, strike “(2)” and substitute “(3)”; in the same line, after “DIVISION” insert “MAY”; strike beginning with “SHALL” in line 20 down through “MAY” in line 23; and strike beginning with “OR” in line 24 down through “STUDY” in line 26 and substitute “; AND

(Over)

(II) EMPLOY REMEDIAL MEASURES, CONSISTENT WITH CONSTITUTIONAL REQUIREMENTS, IF THE ADMINISTRATION, IN CONSULTATION WITH THE CERTIFICATION AGENCY DESIGNATED BY THE BOARD OF PUBLIC WORKS UNDER § 14-303(B) OF THE STATE FINANCE AND PROCUREMENT ARTICLE, THE GOVERNOR'S OFFICE OF SMALL, MINORITY, AND WOMEN BUSINESS AFFAIRS, THE GENERAL ASSEMBLY, AND THE OFFICE OF THE ATTORNEY GENERAL, DETERMINES THAT A DISPARITY STUDY DEMONSTRATES A STRONG BASIS IN EVIDENCE OF BUSINESS DISCRIMINATION AGAINST FIRMS OWNED BY MINORITIES AND WOMEN IN THE MARYLAND CANNABIS MARKET.

(I) (1) TO THE EXTENT PRACTICABLE AND AUTHORIZED BY THE U.S. CONSTITUTION, A CANNABIS LICENSEE SHALL COMPLY WITH THE STATE'S MINORITY BUSINESS ENTERPRISE PROGRAM.

(2) THE ADMINISTRATION, IN CONSULTATION WITH THE CERTIFICATION AGENCY DESIGNATED BY THE BOARD OF PUBLIC WORKS UNDER § 14-303(B) OF THE STATE FINANCE AND PROCUREMENT ARTICLE, THE GOVERNOR'S OFFICE OF SMALL, MINORITY, AND WOMEN BUSINESS AFFAIRS, THE GENERAL ASSEMBLY, AND THE OFFICE OF THE ATTORNEY GENERAL, SHALL REVIEW THE DISPARITY STUDY REQUIRED BY CHAPTER 26 OF THE ACTS OF 2022 TO EVALUATE WHETHER APPLICATION OF THE STATE'S MINORITY BUSINESS ENTERPRISE PROGRAM TO CANNABIS LICENSES WOULD COMPLY WITH THE CITY OF RICHMOND V. J.A. CROSON Co., 488 U.S. 469, AND ANY SUBSEQUENT FEDERAL OR CONSTITUTIONAL REQUIREMENTS.

(3) ON OR BEFORE 6 MONTHS AFTER THE ISSUANCE OF A CANNABIS LICENSE UNDER § 36-401 OF THE ALCOHOLIC BEVERAGES AND CANNABIS ARTICLE, THE GOVERNOR'S OFFICE OF SMALL, MINORITY, AND WOMEN BUSINESS AFFAIRS, IN CONSULTATION WITH THE OFFICE OF THE ATTORNEY GENERAL AND THE OFFICE OF SOCIAL EQUITY WITHIN THE ALCOHOL, TOBACCO, AND CANNABIS COMMISSION AND THE CANNABIS LICENSEE, SHALL ESTABLISH A CLEAR PLAN FOR SETTING REASONABLE AND

APPROPRIATE MINORITY BUSINESS ENTERPRISE PARTICIPATION GOALS AND PROCEDURES FOR THE PROCUREMENT OF GOODS AND SERVICES RELATED TO CANNABIS, INCLUDING THE CULTIVATION, MANUFACTURING, AND DISPENSING OF CANNABIS.

(4) TO THE EXTENT PRACTICABLE, THE GOALS AND PROCEDURES SPECIFIED IN PARAGRAPH (3) OF THIS SUBSECTION SHALL BE BASED ON THE REQUIREMENTS OF TITLE 14, SUBTITLE 3 OF THE STATE FINANCE AND PROCUREMENT ARTICLE AND THE REGULATIONS IMPLEMENTING THAT SUBTITLE”.

On page 87, strike in their entirety lines 2 through 15, inclusive.

AMENDMENT NO. 8

On page 49, strike line 4 in its entirety; in lines 5 and 7, strike “(2)” and “(3)”, respectively, and substitute “(1)” and “(2)”, respectively; in line 7, before “PROHIBIT” insert “IMPOSE LICENSING, OPERATING, OR OTHER FEES OR REQUIREMENTS ON A CANNABIS LICENSEE THAT ARE DISPROPORTIONATELY GREATER OR MORE BURDENSOME THAN THOSE IMPOSED ON OTHER BUSINESSES WITH A SIMILAR IMPACT ON THE AREA WHERE THE CANNABIS LICENSEE IS LOCATED;

(3)”;

and after line 22, insert:

“(D) A POLITICAL SUBDIVISION OR SPECIAL TAXING DISTRICT MAY NOT IMPOSE A TAX ON CANNABIS.”.

On page 80, in line 12, strike “30%” and substitute “35%”; in lines 15, 18, and 20, in each instance, strike “1.5%” and substitute “5%”; in line 15, strike “AND MUNICIPALITIES”; in line 16, strike “JURISDICTION” and substitute “COUNTY”; and in line 17, strike “JURISDICTION” and substitute “COUNTY, EXCEPT THAT A COUNTY

(Over)

SHALL CONSIDER DISTRIBUTING THE ALLOCATION RECEIVED UNDER THIS ITEM TO A MUNICIPALITY LOCATED IN THE COUNTY IN PROPORTION TO THE REVENUE GENERATED BY THAT MUNICIPALITY".

On page 81, in line 12, strike "AS FOLLOWS:" and substitute ", FOR FISCAL YEAR 2024 AND EACH FISCAL YEAR THEREAFTER, 9%."; and strike in their entirety lines 13 through 18, inclusive.

AMENDMENT NO. 9

On page 17, in line 11, strike "AWARD" and substitute "AMOUNT"; in the same line, strike "ANY"; in the same line, strike "FROM THE COMMISSION" and substitute "ISSUED BY THE OFFICE UNDER THIS SECTION"; in line 12, after "EXCEED" insert ":

(I)";

in line 13, after "LICENSEE" insert ";OR

(II) \$250,000 PER YEAR PER QUALIFYING PARTNERSHIP";

in line 17, after "FOR" insert "FISCAL YEAR 2025 AND"; and in the same line, after "YEAR" insert "THEREAFTER".

On page 22, strike beginning with "BEEN" in line 19 down through "CANNABIS" in line 20 and substitute "HAD ABOVE 150% OF THE STATE'S 10-YEAR AVERAGE FOR CANNABIS POSSESSION CHARGES, AS DETERMINED BY INFORMATION FROM THE ADMINISTRATIVE OFFICE OF THE COURTS".

On page 24, in line 16, strike "OR"; and after line 18, insert:

“(III) FOR AT LEAST 2 YEARS, ATTENDED A 4-YEAR INSTITUTION OF HIGHER EDUCATION IN THE STATE WHERE AT LEAST 40% OF THE INDIVIDUALS WHO ATTEND THE INSTITUTION OF HIGHER EDUCATION ARE ELIGIBLE FOR A PELL GRANT; OR”.

On page 26, in lines 5 and 7, in each instance, strike “DIVISION” and substitute “TITLE”; after line 16, insert:

“(3) DEVELOP A PROCESS FOR CONSUMERS AND QUALIFYING PATIENTS TO PURCHASE CLONES AND SEEDS, SEEDLINGS, STALKS, ROOTS, AND STEMS OF THE CANNABIS PLANT FOR CULTIVATION IN ACCORDANCE WITH § 5-601.2 OF THE CRIMINAL LAW ARTICLE;”;

and in lines 17 and 24, strike “(3)” and “(4)”, respectively, and substitute “(4)” and “(5)”, respectively.

On page 27, in lines 2, 5, 10, 20, and 22, strike “(5)”, “(6)”, “(7)”, “(8)”, and “(9)”, respectively, and substitute “(6)”, “(7)”, “(8)”, “(9)”, and “(10)”, respectively.

On page 28, in line 2, strike “(A)(7)” and substitute “(A)(8)”.

On page 29, in line 8, after “SHALL” insert “:

(1)”;

in line 10, after “REGULATIONS” insert “;AND

(2) NOTWITHSTANDING ANY OTHER LAW, REMAIN IN EFFECT UNTIL THE TAKING EFFECT OF NONEMERGENCY REGULATIONS ADOPTED UNDER SUBSECTION (C) OF THIS SECTION”;

(Over)

in line 11, after “(C)” insert “(1)”; in line 12, strike “NECESSARY”; in the same line, strike “THE PROVISIONS OF”; and after line 13, insert:

“(2) TO THE EXTENT PRACTICABLE, THE ADMINISTRATION SHALL ADOPT REGULATIONS:

(I) REQUIRING CANNABIS LICENSEES TO TRANSITION FROM A CASH SYSTEM AND TO USE TRADITIONAL BANKING SERVICES; AND

(II) ESTABLISHING TRADE PRACTICE RESTRICTIONS.

(3) THE ADMINISTRATION SHALL ADOPT REGULATIONS:

(I) BANNING INTERNET SALES OF CANNABIS;

(II) IMPLEMENTING AND SUPPLEMENTING PACKAGING AND LABELING REQUIREMENTS FOR CANNABIS PRODUCTS UNDER § 36-203.1 OF THIS SUBTITLE; AND

(III) ESTABLISHING PROCEDURES FOR THE USE OF POINT OF SALE TECHNOLOGIES BY DISPENSARIES FOR ALL TRANSACTIONS IN ORDER TO VERIFY A CONSUMER’S AGE USING A DRIVER’S LICENSE OR OTHER VALID IDENTIFICATION ISSUED BY A GOVERNMENTAL UNIT SPECIFIED BY THE ADMINISTRATION.”.

On page 39, after line 15, insert:

“(G) NOTWITHSTANDING ANY PROVISIONS OF THIS TITLE, THE HOLDER OF A DISPENSARY LICENSE ISSUED BY THE NATALIE M. LAPRADE MEDICAL

CANNABIS COMMISSION WHO DOES CONVERT THE LICENSE MAY CONTINUE TO DELIVER MEDICAL CANNABIS UNTIL JANUARY 1, 2024.

On page 45, in line 1, strike “OR”; in line 4, after “SUBTITLE” insert “; OR

(V) CONDUCT A MARKET DEMAND STUDY BEFORE THE FIRST ROUND LICENSES ARE ISSUED”;

and in line 24, strike “75” and substitute “10”.

On page 49, in line 25, strike “AN” and substitute “A NONPROFIT”; in line 27, strike “(C)” and substitute “(D)”; after line 30, insert:

“(C) AFTER THE COMPLETION OF THE CONSTRUCTION OR REFURBISHMENT OF A FACILITY ACQUIRED UNDER SUBSECTION (B) OF THIS SECTION, OWNERSHIP OF THE FACILITY SHALL BE TRANSFERRED TO THE DEPARTMENT OF GENERAL SERVICES.”;

and in line 31, strike “(C)” and substitute “(D)”.

On pages 49 and 50, strike beginning with “MARYLAND” in line 31 on page 49 down through “UNDERSTANDING” in line 1 on page 50 and substitute “DEPARTMENT OF GENERAL SERVICES SHALL CONTRACT”.

On page 50, strike beginning with “IF” in line 2 down through “FACILITY” in line 3; after line 3, insert:

“(E) AN INCUBATOR SPACE LICENSEE MAY PURCHASE EQUIPMENT TO BE USED BY OTHER INCUBATOR SPACE LICENSEES IN THE SAME INCUBATOR SPACE.”;

(Over)

and in line 4, strike “(D)” and substitute “(F)”.

On page 54, in line 25, before “BEGINNING” insert “(A)”; in line 28, strike the second “AND”.

On page 55, in line 2, after “CAREGIVERS” insert “; AND”

(3) ENSURE THAT SHELF SPACE IN THE DISPENSARY IS AVAILABLE FOR CANNABIS AND CANNABIS PRODUCTS FROM GROWERS AND PROCESSORS THAT DO NOT SHARE COMMON OWNERSHIP WITH THE DISPENSARY.

(B) EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, A LICENSED DISPENSARY MAY NOT LOCATE WITHIN:

(1) 500 FEET OF:

(I) A PRE-EXISTING PRIMARY OR SECONDARY SCHOOL IN THE STATE, OR A LICENSED CHILD CARE CENTER OR REGISTERED FAMILY CHILD CARE HOME UNDER TITLE 9.5 OF THE EDUCATION ARTICLE; OR

(II) A PLAYGROUND, RECREATION CENTER, LIBRARY, OR PUBLIC PARK; OR

(2) 1,000 FEET OF ANOTHER DISPENSARY UNDER THIS TITLE.

(C) A POLITICAL SUBDIVISION MAY ADOPT AN ORDINANCE REDUCING THE DISTANCE REQUIREMENTS UNDER SUBSECTION (B) OF THIS SECTION.

(D) THE DISTANCE REQUIREMENTS UNDER SUBSECTION (B) OF THIS SECTION DO NOT APPLY TO A DISPENSARY LICENSE THAT WAS:

(1) CONVERTED UNDER § 36–401(B)(1)(II) OF THIS SUBTITLE; AND

(2) PROPERLY ZONED AND OPERATING BEFORE JULY 1, 2023”;

in line 5, strike “EACH” and substitute “A”; in line 9, strike “BE ELIGIBLE TO”; in the same line, after “REGISTER” insert “AS A CANNABIS AGENT”; and in the same line, strike “A CANNABIS AGENT” and substitute “AN INDIVIDUAL”.

On page 74, in line 15, after the semicolon insert “AND”; strike beginning with “HAS” in line 16 down through “(3)” in line 17; in line 17, after “EXCEED” insert “:

(I) FOR A DISPENSARY,”;

in the same line, after “\$500,000” insert “;OR

(II) FOR A GROWER OR PROCESSOR, \$1,000,000”;

in line 26, after “THAN” insert “:

(1) FOR A DISPENSARY,”;

and in the same line, after “\$500,000” insert “;OR

(2) FOR A GROWER OR PROCESSOR, \$1,000,000”.

On page 86, in line 37, strike “and”.

(Over)

On page 87, in line 1, after “applicants” insert “; and

(5) establishing a State cannabis testing laboratory at a preexisting site”;

strike beginning with “Cannabis” in line 17 down through “Division” in line 18 and substitute “Maryland Cannabis Administration”; in line 19, strike “shall issue a license to” and substitute “shall, by regulation, establish a process for issuing up to five grower licenses”; in line 21, strike “one applicant that” and substitute “five applicants that:

(1)”;

in the same line, strike “is a” and substitute “are”; in line 22, strike “member” and substitute “members”; after line 23, insert:

“(2) were awarded damages pursuant to the claims processes established for class members of Pigford v. Glickman or In Re Black Farmers Litig. and those damages were related to farming operations in Maryland;

(3) have provided evidence, suitable to the Administration and consistent with Constitutional and federal requirements, that they have not been fully compensated for the discrimination they have endured and that they have experienced ongoing discrimination or the continued effects of past discrimination; and

(4) satisfy any other criteria established by the Administration.”;

and strike in their entirety lines 24 through 27, inclusive.

AMENDMENT NO. 10

On pages 68 and 69, strike in their entirety the lines beginning with line 29 on page 68 through line 22 on page 69, inclusive.

On page 71, in line 9, strike “**CIVIL IMMUNITIES AND LIABILITIES**” and substitute “**RESERVED**”.

On pages 71 through 73, strike in their entirety the lines beginning with line 10 on page 71 through line 15 on page 73, inclusive.

AMENDMENT NO. 11

On page 8, in line 21, after “Commission;” insert “**AND**”; strike beginning with “be” in line 22 down through “(3)” in line 24; and in line 26, after “(d)” insert “**THE EXECUTIVE DIRECTOR MAY BE A SWORN POLICE OFFICER WITH THE POWERS GRANTED TO AN OFFICER OR EMPLOYEE OF THE FIELD ENFORCEMENT DIVISION UNDER § 1-313 OF THIS SUBTITLE.**

(E)”.

On page 11, in line 21, strike “**THREE**” and substitute “**TWO**”; in line 22, strike “, PROCESSOR, OR DISPENSARY”; after line 22, insert:

“(V) TWO REPRESENTATIVES WHO HOLD A STANDARD PROCESSOR LICENSE UNDER § 36-401 OF THIS ARTICLE;

(VI) TWO REPRESENTATIVES WHO HOLD A STANDARD DISPENSARY LICENSE UNDER § 36-401 OF THIS ARTICLE;”;

in line 23, strike “**(V)**” and substitute “**(VII)**”; in the same line, strike “**THREE**” and substitute “**TWO**”; strike beginning with the comma in line 23 down through “**DISPENSARY**” in line 24; after line 24, insert:

“(VIII) TWO REPRESENTATIVES WHO HOLD A MICRO PROCESSOR LICENSE UNDER § 36-401 OF THIS ARTICLE;

(Over)

(IX) TWO REPRESENTATIVES WHO HOLD A MICRO DISPENSARY LICENSE UNDER § 36-401 OF THIS ARTICLE;

(X) ONE REPRESENTATIVE WHO HOLDS AN INCUBATOR SPACE LICENSE UNDER § 36-401 OF THIS ARTICLE;

(XI) ONE REPRESENTATIVE WHO HOLDS AN ON-SITE CONSUMPTION LICENSE UNDER § 36-401 OF THIS ARTICLE;”;

and in lines 25 and 28, strike “(VI)” and “(VII)”, respectively, and substitute “(XII)” and “(XIII)”, respectively.

On page 12, in line 3, strike “(VIII)” and substitute “(XIV)”; and after line 13, insert:

“(4) THE POSITIONS FOR MEMBERS APPOINTED UNDER SUBSECTION (D)(2)(VII) THROUGH (XI) OF THIS SECTION BECOME EFFECTIVE WHEN THE FIRST LICENSES ARE ISSUED UNDER THOSE RESPECTIVE LICENSE TYPES.”.

On page 84, after line 21, insert:

“Article – State Personnel and Pensions

23-201.

(a) Except as provided in subsection (b) of this section, §§ 23-203 through 23-205 of this subtitle apply only to:

(13) an individual who, on and before the effective date of participation as defined under § 31–101(c) of this article, is:

(i) a supportive service employee of the Board of Education of Kent County;

(ii) an employee of the Town of Oakland;

(iii) an employee of the City of Frostburg;

(iv) an employee of the Town of Sykesville; or

(v) an employee of the Town of University Park; [and]

(14) an employee of the Maryland Automobile Insurance Fund on or after the date that the Maryland Automobile Insurance Fund begins participation in the Employees' Pension System; AND

(15) THE EXECUTIVE DIRECTOR OF THE ALCOHOL, TOBACCO, AND CANNABIS COMMISSION, IF THE EXECUTIVE DIRECTOR IS NOT A SWORN POLICE OFFICER WITH THE POWERS GRANTED TO AN OFFICER OF THE FIELD ENFORCEMENT DIVISION UNDER § 1–313 OF THE ALCOHOLIC BEVERAGES AND CANNABIS ARTICLE.

26–201.

(a) Except as provided in subsection (b) of this section, this subtitle applies only to:

(22) the Executive Director of the Alcohol [and], Tobacco, AND CANNABIS Commission, ONLY IF THE EXECUTIVE DIRECTOR IS A SWORN POLICE

(Over)

OFFICER WITH THE POWERS GRANTED TO AN OFFICER OR EMPLOYEE OF THE
FIELD ENFORCEMENT DIVISION UNDER § 1-313 OF THE ALCOHOLIC
BEVERAGES AND CANNABIS ARTICLE.”.

On page 86, in lines 7 and 8, 17, and 20, in each instance, strike “Office of the Executive Director of the”.

AMENDMENT NO. 12

On page 14 in line 24, on page 22 in line 18, and on page 24 in lines 14 and 18, in each instance, strike “IMPACTED” and substitute “HARMED”.

On page 15, in lines 11 and 12, in each instance, strike the brackets; and strike beginning with “INDIVIDUALS” in line 12 down through “STATE” in line 14.

On page 21, in line 11, strike “OR” and substitute “AND”.

On page 38, in line 7, strike “200” and substitute “10”; in line 18, strike “TWO” and substitute “FOUR”.

On page 39 in lines 29 and 30, on page 40 in lines 8, 22, and 23, on page 41 in lines 15 and 22, on page 42 in lines 11 and 28, and on page 43 in line 1, in each instance, strike “OCTOBER 1, 2022” and substitute “DECEMBER 31, 2022”.

On page 40, in lines 4, 6, and 9, in each instance, strike “25%” and substitute “20%”.

On page 41, after line 13, insert:

“(VII) THE ADMINISTRATION SHALL ANNUALLY REPORT TO
THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE STATE
GOVERNMENT ARTICLE, THE AMOUNT OF CANOPY AREA REPORTED TO THE

ADMINISTRATION BY LICENSED GROWERS UNDER ITEM (II) OF THIS PARAGRAPH.”;

and in line 18, strike “DECEMBER 1, 2022” and substitute “MARCH 1, 2023”.

On page 46, after line 10, insert:

“(4) ON OR BEFORE DECEMBER 31, 2024, THE ADMINISTRATION SHALL SUBMIT A REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, ON THE ABILITY OF MICRO DISPENSARY LICENSEES TO SAFELY AND SECURELY DISPENSE CANNABIS.”;

in line 24, after the semicolon, insert “AND”; and strike beginning with “AND” in line 25 down through the semicolon in line 26.

On page 47, in line 24, after the semicolon, insert “AND”; and strike beginning with “AND” in line 25 through the semicolon in line 26.

On page 50, in line 8, after “(1)” insert “A PERSON SHALL OBTAIN AN ON-SITE CONSUMPTION LICENSE FROM THE ADMINISTRATION BEFORE OPERATING A PREMISES WHERE CANNABIS MAY BE CONSUMED.”

(2)”;

and in line 12, strike “(2)” and substitute “(3)”.

On page 51, strike beginning with “A” in line 2 down through “(E)” in line 5; and in lines 9 and 25, strike “(F)” and “(G)”, respectively, and substitute “(E)” and “(F)”, respectively.

(Over)

On page 52, in lines 4, 11, and 15, strike “(H)”, “(I)”, and “(J)”, respectively, and substitute “(G)”, “(H)”, and “(I)”, respectively.

On page 64, in line 25, after “(A)” insert “(1) THIS SUBSECTION DOES NOT APPLY TO AN ADVERTISEMENT PLACED ON PROPERTY OWNED OR LEASED BY A DISPENSARY, GROWER, OR PROCESSOR.”

(2)”.

On page 69, after line 22, insert:

“(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “HEMP” HAS THE MEANING STATED IN § 14-401 OF THE AGRICULTURE ARTICLE.

(3) “TETRAHYDROCANNABINOL” MEANS:

(I) ANY TETRAHYDROCANNABINOL, INCLUDING DELTA-8-TETRAHYDROCANNABINOL, DELTA-9-TETRAHYDROCANNABINOL, AND DELTA-10-TETRAHYDROCANNABINOL, REGARDLESS OF HOW DERIVED;

(II) ANY OTHER CANNABINOID, EXCEPT CANNABIDIOL THAT THE ADMINISTRATION DETERMINES TO CAUSE INTOXICATION; AND

(III) ANY OTHER CHEMICALLY SIMILAR COMPOUND, SUBSTANCE, DERIVATIVE, OR ISOMER OF TETRAHYDROCANNABINOL, AS IDENTIFIED BY THE ADMINISTRATION.

(4) “TINCTURE” MEANS A SOLUTION THAT IS:

(I) DISSOLVED IN ALCOHOL, GLYCERIN, OR VEGETABLE OIL;

AND

(II) DISTRIBUTED IN A DROPPER BOTTLE OF 4 OUNCES OR LESS.”;

and in line 23, strike “(A)” and substitute “(B)”.

On page 70, in lines 8, 11, and 14, strike “(B)”, “(C)”, and “(D)”, respectively, and substitute “(C)”, “(E)”, and “(F)”, respectively; after line 10, insert:

“(D) NOTWITHSTANDING SUBSECTION (B) OF THIS SECTION, IT IS NOT A VIOLATION OF THIS SECTION FOR A PERSON TO SELL OR DISTRIBUTE A HEMP-DERIVED TINCTURE INTENDED FOR HUMAN CONSUMPTION THAT CONTAINS:

(1) A RATIO OF CANNABIDIOL TO TETRAHYDROCANNABINOL OF AT LEAST 15 TO 1; AND

(2) 2.5 MILLIGRAMS OR LESS OF TETRAHYDROCANNABINOL PER SERVING AND 100 MILLIGRAMS OR LESS OF TETRAHYDROCANNABINOL PER PACKAGE.”;

and in lines 11 and 14, strike “(A)” and “(B)”, respectively, and substitute “(B)” and “(C)”, respectively.

On page 83, in line 19, strike “impacted” and substitute “harmed”.

AMENDMENT NO. 13

(Over)

On page 29, in line 1, after the semicolon, insert “AND”; strike beginning with “PACKAGING” in line 2 down through “5.” in line 4; and after line 16, insert:

“36-203.1.

(A) IN CONSULTATION WITH THE CANNABIS PUBLIC HEALTH ADVISORY COUNCIL ESTABLISHED UNDER § 13-4502 OF THE HEALTH – GENERAL ARTICLE, THE ADMINISTRATION SHALL ADOPT REGULATIONS ESTABLISHING LIMITS ON THE MAXIMUM POTENCY OF CANNABIS AND CANNABIS PRODUCTS SOLD IN THE STATE, INCLUDING LIMITS ON THE MAXIMUM AMOUNT OF THC IN INDIVIDUAL EDIBLE CANNABIS PRODUCTS AND LIMITS ON THE MAXIMUM AGGREGATE THC AMOUNT FOR MULTIPLE EDIBLE CANNABIS PRODUCTS PACKAGED TOGETHER.

(B) REQUIREMENTS FOR PACKAGING AND LABELING OF CANNABIS PRODUCTS IN THE STATE SHALL:

(1) SPECIFY THAT PACKAGING THAT IS ENTIRELY AND UNIFORMLY OPAQUE MAY NOT INCLUDE ANY INFORMATION, PRINT, EMBOSSING, DEBOSSING, GRAPHIC, OR HIDDEN FEATURE;

(2) SPECIFY THAT ALL LABELING MUST BE PRINTED IN BLACK;

(3) CONFORM TO CALIFORNIA STANDARDS FOR:

(I) CHILD-RESISTANT PACKAGING AND CLEARLY IMPRINTED WITH POISON CONTROL INFORMATION; AND

(II) TAMPER-EVIDENT PACKAGING; AND

(4) PROVIDE THAT PACKAGING AND LABELING SHALL INCLUDE:

(I) A FINISHED PRODUCT LOT NUMBER AND EXPIRATION DATE IF APPLICABLE;

(II) A STATEMENT THAT:

1. CONSUMPTION OF CANNABIS MAY IMPAIR YOUR ABILITY TO DRIVE A CAR OR OPERATE MACHINERY, USE EXTREME CAUTION;

2. THERE ARE RISKS ASSOCIATED WITH CANNABIS USE, ESPECIALLY DURING PREGNANCY OR BREAST FEEDING; AND

3. THIS PACKAGE CONTAINS CANNABIS, KEEP OUT OF THE HANDS OF CHILDREN;

(III) THE NAME, ADDRESS, AND PHONE NUMBER OF THE DISPENSARY THAT SOLD THE PRODUCT TO REPORT AN ADVERSE EVENT;

(IV) ANY ALLERGEN WARNING REQUIRED BY LAW;

(V) A LISTING OF NONCANNABIS INGREDIENTS; AND

(VI) AN ITEMIZATION, INCLUDING WEIGHT:

1. OF ALL CANNABINOID AND TERPENE INGREDIENTS SPECIFIED FOR THE PRODUCT; AND

2. CONCENTRATIONS OF ANY CANNABINOID OF LESS THAN 1% PRINTED WITH A LEADING ZERO BEFORE THE DECIMAL POINT.

(Over)

(C) CANNABIS LABELING AND PACKAGING MAY NOT INCLUDE:

(1) ANY IMAGE THAT MAY APPEAL TO CHILDREN INCLUDING:

(I) IMAGES OF FOOD, CANDY, BAKED GOODS, CEREAL, FRUIT, AND BEVERAGES; AND

(II) A RESEMBLANCE TO THE TRADEMARKED CHARACTERISTIC PRODUCT-SPECIALIZED PACKAGING OF ANY COMMERCIALY AVAILABLE CANDY, SNACK, BAKED GOOD, CEREAL, OR BEVERAGE;

(2) ANY IMAGE THAT IS DESIGNED OR LIKELY TO APPEAL TO MINORS, INCLUDING CARTOONS, TOYS, ANIMALS, CHILDREN, OR ANY LIKENESS TO IMAGES, CHARACTERS, OR PHRASES THAT ARE POPULARLY USED TO ADVERTISE TO CHILDREN;

(3) A STATEMENT, ARTWORK, OR DESIGN THAT COULD REASONABLY MISLEAD ANY INDIVIDUAL TO BELIEVE THAT THE PACKAGING CONTAINS ANYTHING OTHER THAN A FINISHED CANNABIS PRODUCT; AND

(4) ANY IMAGE OF A SEAL, FLAG, CREST, COAT OF ARMS, OR OTHER INSIGNIA THAT COULD REASONABLY MISLEAD ANY INDIVIDUAL TO BELIEVE THAT THE PRODUCT HAS BEEN ENDORSED, MANUFACTURED, OR USED BY ANY AGENCY OF A STATE OR POLITICAL SUBDIVISION.

(D) A PERSON MAY NOT SEEK, OFFER FOR SALE, OR FACILITATE THE SALE OF EMPTY PACKAGING THAT, IF USED, WOULD BE A VIOLATION OF ANY PROVISION OF THIS TITLE.”.

On page 63, in line 24, strike “ODD-NUMBERED”.

On page 64, in line 5, strike “COMMISSION’S” and substitute “ADMINISTRATION’S”.

AMENDMENT NO. 14

On page 15, in line 9, strike “The” and substitute “BASED ON THE PERCENTAGE ALLOCABLE TO EACH COUNTY DETERMINED BY THE OFFICE OF SOCIAL EQUITY, THE”.

On page 64, after line 13, insert:

“IN THIS SUBTITLE, “ADVERTISEMENT” MEANS THE PUBLICATION, DISSEMINATION, OR CIRCULATION OF ANY AUDITORY, VISUAL, DIGITAL, ORAL, OF WRITTEN MATTER, INCLUDING LABELING, PACKAGING, AND BRANDING, WHICH IS DIRECTLY OR INDIRECTLY CALCULATED TO INDUCE THE SALE OF CANNABIS OR ANY CANNABIS-RELATED PRODUCT OR SERVICE.

36-902.”;

strike beginning with “SUBSTANTIAL” in line 17 down through “DATA” in line 18 and substitute “COMPETENT AND RELIABLE SCIENTIFIC EVIDENCE”; in line 19, strike “SIGNIFICANT” and substitute “SERIOUS AND MOST COMMON”; after line 23, insert:

“(C) ADVERTISEMENTS FOR A CANNABIS PRODUCT, CANNABIS-RELATED PRODUCTS, OR SERVICES MAY NOT INCLUDE HEALTH, THERAPEUTIC, OR MEDICINAL CLAIMS.”;

in line 24, strike “**36-902.**” and substitute “**36-903.**”; in line 27, strike “**(1)**” and substitute “**(I)**”; and strike beginning with “**MAKE**” in line 27 through “**OF**” in line 28 and substitute “**VIOLATE**”.

On page 65, in line 1, strike “**(2)**” and substitute “**(II) DIRECTLY OR**
INDIRECTLY TARGET INDIVIDUALS UNDER THE AGE OF 21 YEARS OR TAKE ANY
ACTION TO INITIATE, MAINTAIN, OR INCREASE THE INCIDENCE OF CANNABIS USE
BY INDIVIDUALS UNDER THE AGE OF 21 YEARS;

(III)”;

in lines 3, 6, 8, 10, 11, and 16, strike “**(I)**”, “**(II)**”, “**(III)**”, “**(IV)**”, “**(3)**”, and “**(4)**”, respectively, and substitute “**1.**”, “**2.**”, “**3.**”, “**4.**”, “**(IV)**”, and “**(V)**”, respectively.

On page 65, in line 21, strike “**OWNED, MANAGED, OR OPERATED BY A CANNABIS LICENSEE**”; in line 24, after “**MECHANISM**” insert “**BEFORE THE USER MAY ACCESS OR VIEW ANY CONTENT AND BEFORE THE WEBSITE MAY COLLECT THE USER’S ADDRESS, E-MAIL ADDRESS, PHONE NUMBER, OR CONTACT INFORMATION TO DISSEMINATE ADVERTISEMENTS**”; after line 30, insert:

“(3) THE PROVISIONS OF THIS SUBTITLE APPLICABLE TO CANNABIS LICENSEES MAY NOT BE AVOIDED BY HIRING OR CONTRACTING WITH A THIRD-PARTY, OR OUTSOURCING ADVERTISEMENTS THAT DO NOT COMPLY WITH THIS SUBTITLE.

(4) A CANNABIS LICENSEE MAY NOT PERMIT THE USE OF THE LICENSEE’S TRADEMARKS, BRANDS, NAMES, LOCATIONS, OR OTHER DISTINGUISHING CHARACTERISTICS FOR THIRD-PARTY USE FOR ADVERTISEMENTS THAT DOES NOT COMPLY WITH THIS SUBTITLE.”;

and in line 31, after “DIVISION” insert “AND THE OFFICE OF THE ATTORNEY GENERAL’S CONSUMER PROTECTION DIVISION”.

On page 68, in line 1, after “(1)” insert “(I)”; in the same line, strike “A” and substitute “EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, A”; in lines 4, 5, and 7, strike “(I)”, “(II)”, and “(III)”, respectively, and substitute “1.”, “2.”, and “3.”, respectively; and after line 8, insert:

“(II) A VIOLATION OF SUBSECTION (A) OF THIS SECTION THAT OCCURS MORE THAN 24 MONTHS AFTER THE IMMEDIATELY PRECEDING VIOLATION SHALL BE TREATED AS A FIRST VIOLATION.”.

On page 80, in line 5, after “COMPTROLLER” insert “QUARTERLY”.

AMENDMENT NO. 15

On page 23, in line 19, after “CONSUMPTION” insert “OTHER THAN CONSUMPTION BY SMOKING”.

On page 37, in line 25, strike “SMOKE, VAPE,” and substitute “VAPE”.

On page 50, in line 10, after “CONSUMED” insert “, BUT NOT SMOKED,”; and in line 20, strike “SMOKING OR”.

On page 51, in line 21, after “(6)” insert “ALLOW THE SMOKING OF CANNABIS OR CANNABIS PRODUCTS ON THE LICENSED PREMISES;

(7)”;

and in line 23, strike “(7)” and substitute “(8)”.

(Over)

AMENDMENT NO. 16

On page 10 in lines 28 and 31, and on page 11 in lines 3 and 5 and 6, in each instance, strike “**CANNABIS REGULATION AND ENFORCEMENT DIVISION**” and substitute “**MARYLAND CANNABIS ADMINISTRATION**”.

On page 15, after line 27, insert:

“(2) “ADMINISTRATION” HAS THE MEANING STATED IN § 36-101 OF THIS ARTICLE.”;

in line 28, strike “(2)” and substitute “(3)”; and strike in their entirety lines 30 and 31.

On page 16, in line 7, strike “**COMMISSION**” and substitute “**ADMINISTRATION**”.

On page 17 in line 10, and on page 18 in lines 11 and 27, in each instance, strike “**DIVISION**” and substitute “**ADMINISTRATION**”.

On page 18, after line 15, insert:

“(C) “ADMINISTRATION” MEANS THE MARYLAND CANNABIS ADMINISTRATION ESTABLISHED UNDER THIS TITLE.”.

On page 19, in lines 10 and 19, in each instance, strike “**DIVISION**” and substitute “**ADMINISTRATION**”.

On page 21, in lines 26 and 28, in each instance, strike “**DIVISION**” and substitute “**ADMINISTRATION**”.

On page 22, strike in their entirety lines 21 and 22.

On page 23, in lines 3, 6, and 12, in each instance, strike “**DIVISION**” and substitute “**ADMINISTRATION**”.

On page 24, in line 2, strike “**DIVISION**” and substitute “**ADMINISTRATION**”; and in line 19, strike “**COMMISSION**” and substitute “**ADMINISTRATION**”.

On page 25, in line 19, strike “**CANNABIS REGULATION AND ENFORCEMENT DIVISION**” and substitute “**MARYLAND CANNABIS ADMINISTRATION**”; strike beginning with “**CANNABIS**” in line 21 through “**COMMISSION**” in line 23 and substitute “**MARYLAND CANNABIS ADMINISTRATION ESTABLISHED AS AN INDEPENDENT UNIT OF STATE GOVERNMENT**”; and in lines 24, 26, and 30, in each instance, strike “**DIVISION**” and substitute “**ADMINISTRATION**”.

On page 26, in line 1, strike “**OFFICERS AND EMPLOYEES**” and substitute “**STAFF AND RETAIN CONTRACTORS**”; and in lines 1, 3, 8, and 10, in each instance, strike “**DIVISION**” and substitute “**ADMINISTRATION**”.

On page 27, in lines 1 and 24, in each instance, strike “**DIVISION**” and substitute “**ADMINISTRATION**”.

On page 28, in lines 7 and 23, in each instance, strike “**DIVISION**” and substitute “**ADMINISTRATION**”.

On page 29, in lines 7, 11, 14, 18, 22, and 27, in each instance, strike “**DIVISION**” and substitute “**ADMINISTRATION**”.

On page 30, in lines 22, 24, and 27, in each instance, strike “**DIVISION**” and substitute “**ADMINISTRATION**”.

(Over)

On page 31, in line 7, strike “**DIVISION AND THE COMMISSION**” and substitute “**ADMINISTRATION**”; and in line 10, strike “**DIVISION**” and substitute “**ADMINISTRATION**”.

On page 32 in lines 10, 13, 15, and 24, on page 33 in lines 10, 12, and 23, and on page 34 in lines 1, 3, and 6, in each instance, strike “**DIVISION**” and substitute “**ADMINISTRATION**”.

On page 35 in line 21, on page 36 in lines 1, 19, and 22, on page 37 in lines 6, 8, 14, 16, and 27, on page 39 in lines 1 and 21, and on page 40 in lines 1, 10, 19, 27, and 30, in each instance, strike “**DIVISION**” and substitute “**ADMINISTRATION**”.

On page 43 in lines 13, 19, 21, 24, 28, and 30, on page 44 in lines 12, 18, 19, and 24, on page 45 in lines 5, 8, 11, 14, 15, and 26, on page 46 in lines 1 and 16, on page 47 in lines 16 and 18, on page 48 in lines 2, 4, 17, and 19, on page 49 in lines 24 and 28, on page 50 in lines 4 and 8, on page 51 in line 5, on page 52 in lines 19, 22, 27, 28, and 30, on page 53 in lines 20 and 27, on page 54 in lines 3, 6, and 14, in each instance, strike “**DIVISION**” and substitute “**ADMINISTRATION**”.

On page 53, in line 19, strike “**DIVISION’S**” and substitute “**ADMINISTRATION’S**”.

On page 54 in line 12, on page 55 in lines 5, 9, 15, 22, and 28, on page 56 in lines 7, 12, 13, 20, 27, and 29, on page 57 in lines 1, 3, and 10, on page 58 in line 12, on page 59 in lines 12 and 15, on page 60 in lines 1, 6, and 31, on page 61 in lines 7 and 13, on page 62 in lines 3, 6, 21, 23, 24, and 27, on page 63 in lines 19 and 24, on page 64 in line 3, on page 65 in line 31, on page 66 in lines 11, 12, and 24, on page 67 in lines 8, 16, and 26, on page 68 in line 9, and on page 75 in line 7, in each instance, strike “**DIVISION**” and substitute “**ADMINISTRATION**”.

On page 80, in line 9, strike “**CANNABIS REGULATION AND ENFORCEMENT DIVISION**” and substitute “**MARYLAND CANNABIS ADMINISTRATION**”.

On page 86, in line 3, strike “Alcohol, Tobacco, and Cannabis Commission” and substitute “Maryland Cannabis Administration”; strike beginning with “Cannabis” in line 7 down through “Commission” in line 8 and substitute “Maryland Cannabis Commission”; strike beginning with the second “Cannabis” in line 16 down through “Commission” in line 18 and substitute “Maryland Cannabis Commission”; and strike beginning with “Cannabis” in line 19 down through “Commission” in line 20 and substitute “Maryland Cannabis Commission”.

On page 86 in lines 32 and 35, on page 87 in line 30, and on page 88 in lines 1 and 3, in each instance, strike “Division” and substitute “Administration”.

AMENDMENT NO. 17

On page 88, after line 5, insert:

“SECTION 12. AND BE IT FURTHER ENACTED, That:

(a) As soon as practicable after the effective date of this Act, the Maryland Cannabis Administration shall contract with an independent consultant to complete a study on wholesale cannabis licenses.

(b) The study shall include:

- (1) the costs to regulate wholesale cannabis licenses;
- (2) whether there is market necessity for wholesale cannabis licensing;
- (3) whether there is a need for wholesale cannabis licensing to alleviate supply demand and facilitate an equitable marketplace for suppliers and retailers; and

(Over)

(4) the approximate number of wholesale cannabis licenses appropriate for the size of the marketplace in the State.

(c) On or before June 1, 2024, the Maryland Cannabis Administration shall submit the results of the study required under subsection (a) of this section to the Governor and, in accordance with § 2-1257 of the State Government Article, the General Assembly.

SECTION 13. AND BE IT FURTHER ENACTED, That:

(a) The Maryland Economic Development Corporation shall identify in each of the following locations a site for proposed use as incubator space, to be established in accordance with § 36-406 of the Alcoholic Beverages and Cannabis Article, as enacted by Section 5 of this Act:

(1) Caroline County, Cecil County, Dorchester County, Kent County, Queen Anne's County, Somerset County, Talbot County, Wicomico County, or Worcester County;

(2) Allegany County, Garrett County, or Washington County;

(3) Baltimore City or a beltway community located in Anne Arundel County or Baltimore County; and

(4) a beltway community located in Montgomery County or Prince George's County.

(b) The site identifications shall include:

(1) the proposed locations for incubator spaces identified under subsection (a) of this section;

(2) the square footage of the identified locations; and

(3) the estimated costs for construction or renovation of the proposed location to prepare it for use as an incubator space.

(c) In evaluating sites for proposed use as incubator spaces, the Maryland Economic Development Corporation shall consider, in addition to other appropriate criteria, the suitability of converting to incubator space obsolete or underutilized commercial and retail properties such as enclosed malls, big box stores, and warehouse spaces.

(d) On or before January 1, 2024, the Maryland Economic Development Corporation shall submit a report on the identified sites and the qualifying criteria required by this section to the Governor and, in accordance with § 2-1257 of the State Government Article, the General Assembly.

SECTION 14. AND BE IT FURTHER ENACTED, That:

(a) As soon as practicable after the effective date of this Act, the Maryland Cannabis Administration shall conduct a study on on-site consumption of cannabis and cannabis products at retail premises of cannabis licensees.

(b) The study shall include:

(1) a survey of regulations and trade practices for on-site consumption of cannabis and cannabis products in other states and countries;

(2) authorizations and restrictions for the use of cannabis distributed at cannabis premises and for the removal of unconsumed cannabis or cannabis products from the premises;

(Over)

(3) operational procedures and controls for on-site consumption premises and the preparation, use, and consumption of cannabis and cannabis products;

(4) training requirements and safeguards for employees of premises with on-site consumption of cannabis and cannabis products; and

(5) recommendations for policies to implement on-site consumption of cannabis and cannabis products at suitable locations, including suggested legislative and regulatory changes.

(c) The Administration may contract with an independent contractor to conduct the study under this section.

(d) On or before June 1, 2024, the Maryland Cannabis Administration shall submit the results of the study required under subsection (a) of this section to the Governor and, in accordance with § 2-1257 of the State Government Article, the General Assembly.

SECTION 15. AND BE IT FURTHER ENACTED, That:

(a) The Maryland Cannabis Administration shall study:

(1) types of cannabis products and cannabis-infused products that are not meant to be smoked and that are available in neighboring states and other jurisdictions, such as low-concentration edibles, cannabis-infused soft drinks and other beverages, and related products;

(2) issues relating to processing, packaging, labeling, and use of these cannabis products as they may be introduced into the Maryland adult-use cannabis regulatory system; and

(3) regulatory and enforcement issues that may arise from the introduction and availability of these cannabis products in Maryland.

(b) On or before July 1, 2024, the Administration shall submit a report, including any proposed legislative or regulatory changes, to the Governor and, in accordance with § 2-1257 of the State Government Article, the Senate Finance Committee and the House Economic Matters Committee.

SECTION 16. AND BE IT FURTHER ENACTED, That:

(a) A grower awarded a stage one preapproval by the Natalie M. LaPrade Medical Cannabis Commission before October 1, 2022, and was not operational before October 1, 2022, and that does not hold a cannabis dispensary license may apply and be awarded a license to operate as a cannabis dispensary established under § 36-401(c)(1)(iii) of the Alcoholic Beverages and Cannabis Article as enacted by Section 5 of this Act.

(b) A business that was awarded a stage one preapproval for a processor license by the Natalie M. LaPrade Medical Cannabis Commission before October 1, 2022, and was not operational before October 1, 2022, notwithstanding § 36-404(d)(2) of the Alcoholic Beverages Article, as enacted under Section 5 of this Act, shall be entered into the lottery under § 36-404(d)(1)(ii)1 of the Alcoholic Beverages and Cannabis Article as enacted by Section 5 of this Act.”.