HOUSE BILL 1264

E1, C2, Q4 HB 1236/17 – JUD CONSTITUTIONAL AMENDMENT

8lr0405 CF SB 1039

By: Delegates Moon, Platt, Anderson, Carr, Cullison, Ebersole, Fennell, Fraser-Hidalgo, Gilchrist, Gutierrez, Hayes, Hixson, Kelly, Korman, J. Lewis, Lierman, Lisanti, Luedtke, A. Miller, Robinson, Sanchez, Turner, Waldstreicher, M. Washington, Wilkins, K. Young, and P. Young

Introduced and read first time: February 9, 2018

Assigned to: Judiciary

A BILL ENTITLED

1 AN ACT concerning

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Constitutional Amendment - Cannabis - Use, Possession, Cultivation, and Sale

FOR the purpose of proposing an amendment to the Maryland Constitution to establish that, subject to certain exceptions, an individual in the State who is at least a certain age may under State law use, possess in a certain amount, cultivate to a certain extent, and share under certain circumstances cannabis; providing that this amendment does not require or prohibit certain employment policies, authorize certain driving conduct, or change certain existing laws, with a certain exception; providing that this amendment does not prohibit a person who owns, occupies, or controls a property from enforcing certain prohibitions or regulations, with a certain exception; providing that this amendment does not require a person to violate certain laws or restrictions under certain circumstances; requiring the General Assembly and the Comptroller to provide for the regulation of the commercial production and distribution of cannabis within the State under a certain system; providing for the purpose of certain laws and regulations; requiring certain laws and regulations to include certain requirements; requiring certain laws and regulations to establish certain licensing and application fees for a certain purpose; authorizing the Comptroller to control the commercial production and distribution of cannabis; requiring the Comptroller to issue certain licenses; authorizing a certain cannabis business to take certain actions under certain circumstances; authorizing a local jurisdiction to take certain steps relating to the control and consumption of cannabis within its boundaries; authorizing the General Assembly to require a certain vote within a local jurisdiction; requiring the General Assembly to establish certain taxes; providing that this amendment does not limit certain privileges, rights, immunities, or defenses; providing that if any portion of this amendment is invalidated by a court the remainder shall remain in full force and effect; authorizing a certain direct right of action by a citizen of the State under certain circumstances; and submitting this amendment to the qualified voters of the State for their adoption or rejection.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 2 3	BY proposing an addition to the Maryland Constitution New Article XX – Cannabis Section 1 and 2
4 5 6	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, (Three–fifths of all the members elected to each of the two Houses concurring), That it be proposed that the Maryland Constitution read as follows:
7	ARTICLE XX – CANNABIS
8	1.
9 10 11 12	(A) (1) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, AND SUBJECT TO SECTION 2 OF THIS ARTICLE, AN INDIVIDUAL IN THE STATE WHO IS AT LEAST 21 YEARS OLD, WITHOUT BEING SUBJECT TO PENALTY OR SANCTION UNDER STATE LAW, MAY:
13	(I) USE CANNABIS;
14 15	(II) POSSESS UP TO 1 OUNCE OF CANNABIS, BUT NOT MORE THAN 5 GRAMS OF CANNABIS IN A CONCENTRATED FORM, AT ANY ONE TIME;
16 17 18 19	(III) CULTIVATE IN THE INDIVIDUAL'S RESIDENTIAL DWELLING, IN AN AREA NOT VISIBLE FROM A PUBLIC PLACE OR ANOTHER PRIVATE PROPERTY WITHOUT OPTICAL AIDS, UP TO 6 CANNABIS PLANTS, BUT NOT MORE THAN 3 MATURE AND FLOWERING PLANTS, AT ANY ONE TIME;
20 21 22	(IV) POSSESS IN THE INDIVIDUAL'S RESIDENTIAL DWELLING, FOR PERSONAL USE, ALL THE CANNABIS CULTIVATED BY THE INDIVIDUAL FROM CANNABIS PLANTS DESCRIBED IN ITEM (III) OF THIS PARAGRAPH; AND
23 24	(V) SHARE, WITHOUT RECEIVING ANYTHING OF VALUE, UP TO 5 GRAMS OF CANNABIS WITH ANOTHER INDIVIDUAL WHO IS AT LEAST 21 YEARS OLD.
25	(B) (1) THIS ARTICLE DOES NOT:
26 27	(I) REQUIRE AN EMPLOYER TO ALLOW OR ACCOMMODATE THE USE OR POSSESSION OF CANNABIS BY AN EMPLOYEE OR IN THE WORKPLACE; OR
28 29 30	(II) PROHIBIT AN EMPLOYER FROM TAKING AN ADVERSE EMPLOYMENT ACTION AGAINST AN EMPLOYEE FOR VIOLATION OF A WORKPLACE DRUG POLICY OR FOR WORKING UNDER THE INFLUENCE OF CANNABIS.

- 1 (2) THIS ARTICLE DOES NOT AUTHORIZE DRIVING WHILE IMPAIRED 2 BY OR UNDER THE INFLUENCE OF CANNABIS OR DRIVING WHILE CONSUMING
- 3 CANNABIS.
- 4 (3) This Article does not change existing law with respect
- 5 TO THE PUBLIC SMOKING OR CONSUMPTION OF CANNABIS EXCEPT, FOR THE
- 6 PURPOSES OF THIS ARTICLE, A PUBLIC PLACE DOES NOT INCLUDE A LICENSED
- 7 BUSINESS THAT PERMITS CANNABIS CONSUMPTION IN DESIGNATED AREAS NOT
- 8 ACCESSIBLE TO PERSONS UNDER THE AGE OF 21 YEARS, IF THE BUSINESS IS
- 9 LOCATED IN A JURISDICTION THAT ALLOWS THE BUSINESS.
- 10 (4) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS
- 11 PARAGRAPH, THIS ARTICLE DOES NOT PROHIBIT A PERSON WHO OWNS, OCCUPIES,
- 12 OR CONTROLS A PROPERTY FROM PROHIBITING OR REGULATING THE USE, DISPLAY,
- 13 OR CULTIVATION OF CANNABIS ON OR IN THAT PROPERTY.
- 14 (II) A LEASE FOR RESIDENTIAL PROPERTY FOR AN ENTIRE
- 15 DWELLING UNIT MAY NOT PROHIBIT A TENANT FROM CONSUMING CANNABIS IN THE
- 16 PREMISES BY MEANS OTHER THAN SMOKING.
- 17 (5) THIS ARTICLE DOES NOT REQUIRE A PERSON OR ENTITY TO
- 18 VIOLATE FEDERAL LAW OR TO IMPLEMENT OR FAIL TO IMPLEMENT A RESTRICTION
- 19 ON THE USE, POSSESSION, OR CULTIVATION OF CANNABIS IF BY SO DOING THE
- 20 INDIVIDUAL OR ENTITY WILL PAY A FINE OR SUBJECT THE PERSON OR ENTITY TO A
- 21 PENALTY OR THE LOSS OF A LICENSING-RELATED BENEFIT UNDER FEDERAL LAW.
- 22 **2.**

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- 23 (A) (1) THE GENERAL ASSEMBLY AND THE COMPTROLLER SHALL
- 24 PROVIDE FOR THE REGULATION OF THE COMMERCIAL PRODUCTION AND
- 25 DISTRIBUTION OF CANNABIS WITHIN THE STATE UNDER A SYSTEM THAT LICENSES,
- 26 REGULATES, AND TAXES THE BUSINESSES INVOLVED.
- 27 (2) THE PURPOSE OF THE LAWS AND REGULATIONS DESCRIBED IN
- 28 PARAGRAPH (1) OF THIS SUBSECTION SHALL BE TO:
- 29 (I) REMOVE COMMERCIAL PRODUCTION AND DISTRIBUTION
- 30 OF CANNABIS FROM THE ILLICIT MARKET;
- 31 (II) PREVENT REVENUE GENERATED FROM COMMERCE IN
- 32 CANNABIS FROM GOING TO CRIMINAL ENTERPRISES;
 - (III) PREVENT THE DISTRIBUTION OF CANNABIS TO PERSONS

- 1 UNDER 21 YEARS OF AGE;
- 2 (IV) PREVENT THE DIVERSION OF CANNABIS TO ILLICIT
- 3 MARKETS;
- 4 (V) ENSURE THE SAFETY OF CANNABIS CONSUMPTION;
- 5 (VI) ENSURE THE SECURITY OF CANNABIS BUSINESSES AND THE
- 6 COMMUNITY;
- 7 (VII) ENSURE DIVERSITY AMONG THE OWNERS OF CANNABIS
- 8 BUSINESSES, INCLUDING TAKING MEASURES TO REMEDY THE EFFECTS OF PAST
- 9 DISCRIMINATION SHOWN BY DISPARITY STUDIES; AND
- 10 (VIII) ENCOURAGE PARTICIPATION IN CANNABIS COMMERCE BY
- 11 SMALL BUSINESSES.
- 12 (3) THE LAWS AND REGULATIONS DESCRIBED IN PARAGRAPH (1) OF
- 13 THIS SUBSECTION SHALL INCLUDE REQUIREMENTS FOR:
- 14 (I) THE TESTING, LABELING, AND PACKAGING OF CANNABIS;
- 15 (II) TRACKING CANNABIS;
- 16 (III) LIMITATIONS ON ADVERTISING AND MARKETING OF
- 17 CANNABIS AND CANNABIS BUSINESSES;
- 18 (IV) SAFE PRODUCTION AND HANDLING OF CANNABIS,
- 19 INCLUDING RESTRICTIONS ON THE USE OF PESTICIDES; AND
- 20 (V) PENALTIES FOR THE VIOLATION OF THE LAWS AND
- 21 REGULATIONS RELATING TO CANNABIS.
- 22 (4) THE LAWS AND REGULATIONS DESCRIBED IN PARAGRAPH (1) OF
- 23 THIS SUBSECTION SHALL ESTABLISH LICENSING AND APPLICATION FEES FOR
- 24 CANNABIS BUSINESSES THAT ARE ADEQUATE TO COVER THE COST OF THE
- 25 ADMINISTRATION AND ENFORCEMENT OF THIS SECTION.
- 26 (B) (1) THE COMPTROLLER MAY CONTROL THE COMMERCIAL
- 27 PRODUCTION AND DISTRIBUTION OF CANNABIS, INCLUDING THE ISSUANCE OF
- 28 LICENSES, ENACTMENT OF REGULATIONS, AND THE PERFORMANCE OF
- 29 INVESTIGATIONS AND INSPECTIONS TO ENSURE COMPLIANCE WITH LAWS AND
- 30 REGULATIONS.

- 1 (2) (I) THE COMPTROLLER SHALL, AS SOON AS PRACTICABLE,
- $2\quad \textbf{ISSUE TEMPORARY LICENSES TO ALLOW MEDICAL CANNABIS BUSINESSES LICENSED}$
- 3 IN THE STATE THAT ARE IN GOOD STANDING WITH THE MARYLAND MEDICAL
- 4 CANNABIS COMMISSION ON THE DATE OF THE ENACTMENT OF THIS ARTICLE TO
- 5 CULTIVATE, PROCESS, AND SELL CANNABIS FOR AND TO INDIVIDUALS WHO ARE AT
- 6 LEAST 21 YEARS OLD WITHOUT BEING SUBJECT TO PENALTY OR SANCTION UNDER
- 7 STATE LAW, BUT SUBJECT TO REASONABLE REGULATIONS AND FEES AS THE
- 8 COMPTROLLER MAY REQUIRE.
- 9 (II) A TEMPORARY LICENSE ISSUED BY THE COMPTROLLER
- 10 SHALL EXPIRE ON THE ISSUANCE OF A NEW LICENSE UNDER THE LAWS AND
- 11 REGULATIONS ADOPTED IN ACCORDANCE WITH THIS SUBSECTION.
- 12 (III) IF THE COMPTROLLER FAILS TO ISSUE LICENSES UNDER
- 13 THIS PARAGRAPH BY JUNE 1, 2019, A CANNABIS BUSINESS DESCRIBED IN
- 14 SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY, ON THAT DATE, BEGIN CULTIVATION,
- 15 PROCESSING, OR SELLING CANNABIS FOR AND TO INDIVIDUALS WHO ARE AT LEAST
- 16 21 YEARS OLD WITHOUT BEING SUBJECT TO PENALTY OR SANCTION UNDER STATE
- 17 LAW.
- 18 (IV) THE LAWS AND REGULATIONS ADOPTED IN ACCORDANCE
- 19 WITH THIS SECTION MAY NOT LIMIT THE ISSUANCE OF LICENSES TO ONLY
- 20 BUSINESSES THAT CULTIVATE, PROCESS, AND SELL MEDICAL CANNABIS.
- 21 (C) (1) A LOCAL JURISDICTION MAY:
- 22 (I) CONTROL THE ZONING OF CANNABIS BUSINESSES WITHIN
- 23 ITS BOUNDARIES;
- 24 (II) LIMIT THE NUMBER OF CANNABIS BUSINESSES WITHIN ITS
- 25 BOUNDARIES;
- 26 (III) PROHIBIT CANNABIS BUSINESSES WITHIN ITS BOUNDARIES
- 27 WITH VOTER APPROVAL; AND
- 28 (IV) REGULATE THE TIME, PLACE, AND MANNER OF A CANNABIS
- 29 BUSINESS'S OPERATIONS.
- 30 (2) A LOCAL JURISDICTION MAY PERMIT THE ESTABLISHMENT OF
- 31 BUSINESSES THAT ALLOW THE CONSUMPTION OF CANNABIS IN DESIGNATED AREAS
- 32 NOT ACCESSIBLE TO INDIVIDUALS UNDER 21 YEARS OF AGE.

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- 1 (3) THE GENERAL ASSEMBLY MAY REQUIRE A VOTE OF THE 2 ELECTORS WITHIN A LOCAL JURISDICTION TO IMPOSE A BAN ON RETAIL CANNABIS 3 STORES.
- 4 (D) THE GENERAL ASSEMBLY SHALL ESTABLISH A RATE OF CANNABIS
 5 TAXATION THAT MAXIMIZES REVENUE FOR THE STATE WHILE MINIMIZING THE SIZE
 6 OF THE ILLICIT MARKET FOR CANNABIS, DELAYING INITIAL USE OF CANNABIS, AND
 7 DISCOURAGING PROBLEMATIC USE OF CANNABIS.
- 8 (E) THIS ARTICLE DOES NOT LIMIT ANY PRIVILEGE, RIGHT, IMMUNITY, OR
 9 DEFENSE PROVIDED UNDER TITLE 13, SUBTITLE 33 OF THE HEALTH GENERAL
 10 ARTICLE.
- 11 (F) IF ANY PORTION OF THIS ARTICLE IS INVALIDATED BY A COURT, THE 12 REMAINDER SHALL REMAIN IN FULL FORCE AND EFFECT.
- 13 (G) IF THE GENERAL ASSEMBLY OR COMPTROLLER HAS FAILED TO ENACT
 14 LAWS AND REGULATIONS CONSISTENT WITH THIS ARTICLE ON OR BEFORE
 15 DECEMBER 31, 2019, A CITIZEN OF MARYLAND HAS A DIRECT RIGHT OF ACTION TO
 16 COMPEL THE GENERAL ASSEMBLY OR THE COMPTROLLER TO DO SO.
- SECTION 2. AND BE IT FURTHER ENACTED, That the General Assembly determines that the amendment to the Maryland Constitution proposed by Section 1 of this Act affects multiple jurisdictions and that the provisions of Article XIV, § 1 of the Maryland Constitution concerning local approval of constitutional amendments do not apply.
 - SECTION 3. AND BE IT FURTHER ENACTED, That the amendment to the Maryland Constitution proposed by Section 1 of this Act shall be submitted to the qualified voters of the State at the next general election to be held in November 2018 for adoption or rejection pursuant to Article XIV of the Maryland Constitution. At that general election, the vote on the proposed amendment to the Constitution shall be by ballot, and on each ballot there shall be printed the words "For the Constitutional Amendment" and "Against the Constitutional Amendment", as now provided by law. Immediately after the election, all returns shall be made to the Governor of the vote for and against the proposed amendment, as directed by Article XIV of the Maryland Constitution, and further proceedings had in accordance with Article XIV.