

SENATE BILL 771

E1, E4, J1

9lr1646
CF 9lr1175

By: **Senator Smith**

Introduced and read first time: February 4, 2019

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Cannabis – Legalization, Taxation, and Regulation**

3 FOR the purpose of substituting the term “cannabis” for the term “marijuana” in certain
4 provisions of law; altering a certain quantity threshold and establishing a certain
5 age limit applicable to a certain civil offense of use or possession of cannabis;
6 establishing a civil offense for use or possession of a certain amount of cannabis for
7 a person of at least a certain age; establishing a Cannabis Regulation Division in the
8 Office of the Comptroller; authorizing the Comptroller to employ certain officers and
9 employees of the Division as provided in the State budget; establishing that certain
10 acts relating to cannabis are not unlawful and are not a criminal or civil offense
11 under State law or the law of any political subdivision of the State or a basis for
12 seizure or forfeiture of assets under State law for persons of at least a certain age;
13 establishing that certain acts are not a violation of certain conditions of parole or
14 probation in certain circumstances; establishing certain requirements related to
15 cannabis cultivation; prohibiting a person from consuming cannabis while operating
16 a motorized device for transportation; prohibiting a person from smoking cannabis
17 in an enclosed area of a motorized vehicle with a certain exception; prohibiting a
18 person under a certain age from presenting false or fraudulent evidence of the
19 person’s age to a certain cannabis establishment for certain purposes; providing for
20 the manufacture, possession, purchase, and sale of cannabis accessories; clarifying
21 that a provision of law is included in this Act to satisfy a certain federal requirement;
22 providing authorization for certain retail cannabis stores, on-site consumption
23 establishments, cannabis cultivation facilities, cannabis product manufacturing
24 facilities, cannabis testing facilities, and cannabis transporters; prohibiting a
25 cannabis establishment from selling, delivering, giving, transferring, or otherwise
26 furnishing cannabis, cannabis products, or cannabis paraphernalia to a person under
27 a certain age; providing a certain affirmative defense; prohibiting the holder of a
28 professional or occupational license from being subject to professional discipline
29 under certain circumstances; requiring the Division to adopt certain regulations
30 within a certain period; prohibiting the regulations from prohibiting the operation of
31 cannabis establishments; requiring the regulations to include certain provisions;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 requiring the Division to develop a certain safety information label or handout;
2 requiring the Division to review and update the label or handout within certain
3 intervals; providing for an application process for registration as a cannabis
4 establishment; authorizing a certain locality to enact ordinances or regulations that
5 do not conflict with this Act; prohibiting the adoption of certain ordinances and
6 regulations; providing for the expungement of certain offenses relating to cannabis;
7 providing for a certain application for resentencing; requiring the allocation of
8 certain funds; requiring a clerk of court to provide certain records in certain
9 circumstances; providing that this Act does not require certain acts by an employer;
10 providing that this Act is not intended to allow driving under certain circumstances;
11 providing that this Act does not exempt certain conduct in certain correctional
12 facilities; providing that this Act is not intended to permit the transfer of cannabis
13 to a person under a certain age; providing that this Act may not be construed to limit
14 a certain privilege or right under the medical marijuana statutes; providing that this
15 Act does not require a person that owns, controls, or leases a property to allow certain
16 actions on the property; prohibiting a certain landlord from prohibiting certain
17 conduct with certain exceptions; providing for the public policy of the State with
18 regard to contracts dealing with cannabis; prohibiting a law enforcement officer from
19 taking certain actions on the basis that the officer believes a violation of federal law
20 has occurred under certain circumstances; establishing the Cannabis Regulation
21 Fund; requiring the Division to administer the Fund; requiring the Comptroller to
22 retain certain money to defray the administration of this Act; providing for the
23 distribution of certain funds; establishing the imposition of a certain tax on the sale
24 or transfer of cannabis; authorizing a certain deduction from State taxes; providing
25 certain penalties for violating certain provisions of this Act; providing for the
26 application of this Act; defining certain terms; making conforming changes; and
27 generally relating to cannabis.

28 BY repealing and reenacting, with amendments,

29 Article – Criminal Law

30 Section 5–601, 5–601.1, and 5–620(d)(2)

31 Annotated Code of Maryland

32 (2012 Replacement Volume and 2018 Supplement)

33 BY adding to

34 Article – Criminal Law

35 Section 5–1201 through 5–1224 to be under the new subtitle “Subtitle 12. Cannabis”

36 Annotated Code of Maryland

37 (2012 Replacement Volume and 2018 Supplement)

38 BY adding to

39 Article – Tax – General

40 Section 12.5–101 and 12.5–102 to be under the new title “Title 12.5. Cannabis Tax”

41 Annotated Code of Maryland

42 (2016 Replacement Volume and 2018 Supplement)

43 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

1 That the Laws of Maryland read as follows:

2 **Article – Criminal Law**

3 5–601.

4 **(A) (1) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS**
5 **INDICATED.**

6 **(2) “CANNABIS” HAS THE MEANING STATED IN § 5–1201 OF THIS**
7 **TITLE.**

8 **(3) “PERSONAL USE AMOUNT” MEANS:**

9 **(I) AN AMOUNT OF CANNABIS THAT DOES NOT EXCEED 1**
10 **OUNCE;**

11 **(II) AN AMOUNT OF CONCENTRATED CANNABIS THAT DOES NOT**
12 **EXCEED 5 GRAMS;**

13 **(III) AN AMOUNT OF CANNABIS PRODUCT CONTAINING THC**
14 **THAT DOES NOT EXCEED 500 MILLIGRAMS;**

15 **(IV) FOUR OR FEWER CANNABIS PLANTS; OR**

16 **(V) ANY ADDITIONAL CANNABIS PRODUCED BY THE PERSON’S**
17 **CANNABIS PLANTS, PROVIDED THAT AN AMOUNT OF CANNABIS IN EXCESS OF THE**
18 **AMOUNTS LISTED IN ITEMS (I) THROUGH (III) OF THIS PARAGRAPH MUST BE**
19 **POSSESSED IN THE SAME SECURE FACILITY WHERE THE PLANTS WERE CULTIVATED,**
20 **AS REQUIRED UNDER § 5–1204 OF THIS TITLE.**

21 **[(a)] (B) Except as otherwise provided in this title, a person may not:**

22 **(1) possess or administer to another a controlled dangerous substance,**
23 **unless obtained directly or by prescription or order from an authorized provider acting in**
24 **the course of professional practice; or**

25 **(2) obtain or attempt to obtain a controlled dangerous substance, or**
26 **procure or attempt to procure the administration of a controlled dangerous substance by:**

27 **(i) fraud, deceit, misrepresentation, or subterfuge;**

28 **(ii) the counterfeiting or alteration of a prescription or a written**
29 **order;**

- 1 (iii) the concealment of a material fact;
- 2 (iv) the use of a false name or address;
- 3 (v) falsely assuming the title of or representing to be a
4 manufacturer, distributor, or authorized provider; or
- 5 (vi) making, issuing, or presenting a false or counterfeit prescription
6 or written order.

7 **[(b)] (C)** Information that is communicated to a physician in an effort to obtain
8 a controlled dangerous substance in violation of this section is not a privileged
9 communication.

10 **[(c)] (D)** (1) Except as provided in paragraphs (2), (3), and (4) of this
11 subsection, a person who violates this section is guilty of a misdemeanor and on conviction
12 is subject to:

- 13 (i) for a first conviction, imprisonment not exceeding 1 year or a fine
14 not exceeding \$5,000 or both;
- 15 (ii) for a second or third conviction, imprisonment not exceeding 18
16 months or a fine not exceeding \$5,000 or both; or
- 17 (iii) for a fourth or subsequent conviction, imprisonment not
18 exceeding 2 years or a fine not exceeding \$5,000 or both.

19 (2) (i) Except as provided in [subparagraph (ii)] **SUBPARAGRAPHS (II)**
20 **AND (III)** of this paragraph **AND SUBTITLE 12 OF THIS TITLE**, a person whose violation
21 of this section involves the use or possession of [marijuana] **CANNABIS** is guilty of a
22 misdemeanor of possession of [marijuana] **CANNABIS** and is subject to imprisonment not
23 exceeding 6 months or a fine not exceeding \$1,000 or both.

24 (ii) 1. A first finding of guilt under this section involving the use
25 or possession of less than [10 grams of marijuana] **THE PERSONAL USE AMOUNT OF**
26 **CANNABIS BY AN INDIVIDUAL UNDER THE AGE OF 21 YEARS** is a civil offense
27 punishable by a fine not exceeding \$100.

28 2. A second finding of guilt under this section involving the
29 use or possession of less than [10 grams of marijuana] **THE PERSONAL USE AMOUNT OF**
30 **CANNABIS BY AN INDIVIDUAL UNDER THE AGE OF 21 YEARS** is a civil offense
31 punishable by a fine not exceeding \$250.

32 3. A third or subsequent finding of guilt under this section
33 involving the use or possession of less than [10 grams of marijuana] **THE PERSONAL USE**
34 **AMOUNT OF CANNABIS BY AN INDIVIDUAL UNDER THE AGE OF 21 YEARS** is a civil

1 offense punishable by a fine not exceeding \$500.

2 4. A. In addition to a fine, a court shall order a person
3 under the age of 21 years who commits a violation punishable under subparagraph 1,
4 2, or 3 of this subparagraph to attend a drug education program approved by the Maryland
5 Department of Health, refer the person to an assessment for substance abuse disorder, and
6 refer the person to substance abuse treatment, if necessary.

7 B. [In addition to a fine, a court shall order a person at least
8 21 years old who commits a violation punishable under subparagraph 3 of this
9 subparagraph to attend a drug education program approved by the Maryland Department
10 of Health, refer the person to an assessment for substance abuse disorder, and refer the
11 person to substance abuse treatment, if necessary.

12 C.] A court that orders a person to a drug education program
13 or substance abuse assessment or treatment under this subparagraph may hold the
14 case sub curia pending receipt of proof of completion of the program, assessment, or
15 treatment.

16 **(III) A VIOLATION OF THIS SECTION INVOLVING A PERSON AT**
17 **LEAST 21 YEARS OLD USING OR POSSESSING AN AMOUNT OF CANNABIS THAT**
18 **EXCEEDS THE PERSONAL USE AMOUNT BUT DOES NOT EXCEED DOUBLE THE**
19 **PERSONAL USE AMOUNT IS A CIVIL OFFENSE PUNISHABLE BY A FINE NOT**
20 **EXCEEDING \$250 AND THE PERFORMANCE OF COMMUNITY SERVICE NOT**
21 **EXCEEDING 20 HOURS.**

22 (3) (i) 1. In this paragraph the following words have the meanings
23 indicated.

24 2. “Bona fide physician–patient relationship” means a
25 relationship in which the physician has ongoing responsibility for the assessment, care, and
26 treatment of a patient’s medical condition.

27 3. “Caregiver” means an individual designated by a patient
28 with a debilitating medical condition to provide physical or medical assistance to the
29 patient, including assisting with the medical use of [marijuana] CANNABIS, who:

30 A. is a resident of the State;

31 B. is at least 21 years old;

32 C. is an immediate family member, a spouse, or a domestic
33 partner of the patient;

34 D. has not been convicted of a crime of violence as defined in
35 § 14–101 of this article;

1 E. has not been convicted of a violation of a State or federal
2 controlled dangerous substances law;

3 F. has not been convicted of a crime of moral turpitude;

4 G. has been designated as caregiver by the patient in writing
5 that has been placed in the patient's medical record prior to arrest;

6 H. is the only individual designated by the patient to serve as
7 caregiver; and

8 I. is not serving as caregiver for any other patient.

9 4. "Debilitating medical condition" means a chronic or
10 debilitating disease or medical condition or the treatment of a chronic or debilitating
11 disease or medical condition that produces one or more of the following, as documented by
12 a physician with whom the patient has a bona fide physician-patient relationship:

13 A. cachexia or wasting syndrome;

14 B. severe or chronic pain;

15 C. severe nausea;

16 D. seizures;

17 E. severe and persistent muscle spasms; or

18 F. any other condition that is severe and resistant to
19 conventional medicine.

20 (ii) 1. In a prosecution for the use or possession of [marijuana]
21 CANNABIS, the defendant may introduce and the court shall consider as a mitigating factor
22 any evidence of medical necessity.

23 2. Notwithstanding paragraph (2) of this subsection, if the
24 court finds that the person used or possessed [marijuana] CANNABIS because of medical
25 necessity, the court shall dismiss the charge.

26 (iii) 1. In a prosecution for the use or possession of [marijuana]
27 CANNABIS under this section, it is an affirmative defense that the defendant used or
28 possessed [marijuana] CANNABIS because:

29 A. the defendant has a debilitating medical condition that
30 has been diagnosed by a physician with whom the defendant has a bona fide

1 physician–patient relationship;

2 B. the debilitating medical condition is severe and resistant
3 to conventional medicine; and

4 C. [marijuana] CANNABIS is likely to provide the defendant
5 with therapeutic or palliative relief from the debilitating medical condition.

6 2. A. In a prosecution for the possession of [marijuana]
7 CANNABIS under this section, it is an affirmative defense that the defendant possessed
8 [marijuana] CANNABIS because the [marijuana] CANNABIS was intended for medical use
9 by an individual with a debilitating medical condition for whom the defendant is a
10 caregiver.

11 B. A defendant may not assert the affirmative defense under
12 this subparagraph unless the defendant notifies the State’s Attorney of the defendant’s
13 intention to assert the affirmative defense and provides the State’s Attorney with all
14 documentation in support of the affirmative defense in accordance with the rules of
15 discovery provided in Maryland Rules 4–262 and 4–263.

16 3. An affirmative defense under this subparagraph may not
17 be used if the defendant was:

18 A. using [marijuana] CANNABIS in a public place or
19 assisting the individual for whom the defendant is a caregiver in using the [marijuana]
20 CANNABIS in a public place; or

21 B. in possession of more than 1 ounce of [marijuana]
22 CANNABIS.

23 (4) A violation of this section involving the smoking of [marijuana]
24 CANNABIS in a public place is a civil offense punishable by a fine not exceeding \$500.

25 [(d)] (E) The provisions of subsection [(c)(2)(ii)] (D)(2)(II) of this section making
26 the possession of [marijuana] CANNABIS a civil offense may not be construed to affect the
27 laws relating to:

28 (1) operating a vehicle or vessel while under the influence of or while
29 impaired by a controlled dangerous substance; or

30 (2) seizure and forfeiture.

31 [(e)] (F) (1) (i) Before imposing a sentence under subsection [(c)] (D) of
32 this section, the court may order the Maryland Department of Health or a certified and
33 licensed designee to conduct an assessment of the defendant for substance use disorder and
34 determine whether the defendant is in need of and may benefit from drug treatment.

1 (ii) If an assessment for substance use disorder is requested by the
2 defendant and the court denies the request, the court shall state on the record the basis for
3 the denial.

4 (2) On receiving an order under paragraph (1) of this subsection, the
5 Maryland Department of Health, or the designee, shall conduct an assessment of the
6 defendant for substance use disorder and provide the results to the court, the defendant or
7 the defendant's attorney, and the State identifying the defendant's drug treatment needs.

8 (3) The court shall consider the results of an assessment performed under
9 paragraph (2) of this subsection when imposing the defendant's sentence and:

10 (i) except as provided in subparagraph (ii) of this paragraph, the
11 court shall suspend the execution of the sentence and order probation and, if the
12 assessment shows that the defendant is in need of substance abuse treatment, require the
13 Maryland Department of Health or the designee to provide the medically appropriate level
14 of treatment as identified in the assessment; or

15 (ii) the court may impose a term of imprisonment under subsection
16 [(c)] (D) of this section and order the Division of Correction or local correctional facility to
17 facilitate the medically appropriate level of treatment for the defendant as identified in the
18 assessment.

19 5-601.1.

20 (a) A police officer shall issue a citation to a person who the police officer has
21 probable cause to believe has committed a violation of § 5-601 of this part involving the use
22 or possession of less than [10 grams of marijuana] **THE PERSONAL USE AMOUNT OF**
23 **CANNABIS BY AN INDIVIDUAL UNDER THE AGE OF 21 YEARS.**

24 (b) (1) A violation of § 5-601 of this part involving the use or possession of less
25 than [10 grams of marijuana] **THE PERSONAL USE AMOUNT OF CANNABIS BY AN**
26 **INDIVIDUAL UNDER THE AGE OF 21 YEARS** is a civil offense.

27 (2) Adjudication of a violation under § 5-601 of this part involving the use
28 or possession of less than [10 grams of marijuana] **THE PERSONAL USE AMOUNT OF**
29 **CANNABIS BY AN INDIVIDUAL UNDER THE AGE OF 21 YEARS:**

30 (i) is not a criminal conviction for any purpose; and

31 (ii) does not impose any of the civil disabilities that may result from
32 a criminal conviction.

33 (c) (1) A citation issued for a violation of § 5-601 of this part involving the use
34 or possession of less than [10 grams of marijuana] **THE PERSONAL USE AMOUNT OF**

1 **CANNABIS BY AN INDIVIDUAL UNDER THE AGE OF 21 YEARS** shall be signed by the
2 police officer who issues the citation and shall contain:

3 (i) the name, address, and date of birth of the person charged;

4 (ii) the date and time that the violation occurred;

5 (iii) the location at which the violation occurred;

6 (iv) the fine that may be imposed;

7 (v) a notice stating that prepayment of the fine is allowed, except as
8 provided in paragraph (2) of this subsection; and

9 (vi) a notice in boldface type that states that the person shall:

10 1. pay the full amount of the preset fine; or

11 2. request a trial date at the date, time, and place established
12 by the District Court by writ or trial notice.

13 (2) [(i)] If a citation for a violation of § 5–601 of this part involving the
14 use or possession of less than [10 grams of marijuana] **THE PERSONAL USE AMOUNT OF**
15 **CANNABIS BY AN INDIVIDUAL UNDER THE AGE OF 21 YEARS** is issued to a person under
16 the age of 21 years, the court shall summon the person for trial.

17 [(ii)] If the court finds that a person at least 21 years old who has been
18 issued a citation under this section has at least twice previously been found guilty under §
19 5–601 of this part involving the use or possession of less than 10 grams of marijuana, the
20 court shall summon the person for trial.]

21 (d) The form of the citation shall be uniform throughout the State and shall be
22 prescribed by the District Court.

23 (e) (1) The Chief Judge of the District Court shall establish a schedule for the
24 prepayment of the fine.

25 (2) Prepayment of a fine shall be considered a plea of guilty to a Code
26 violation.

27 (3) A person described in subsection (c)(2) of this section may not prepay
28 the fine.

29 (f) [(1)] A person may request a trial by sending a request for trial to the District
30 Court in the jurisdiction where the citation was issued within 30 days of the issuance of the
31 citation.

1 [(2) If a person other than a person described in subsection (c)(2) of this
2 section does not request a trial or prepay the fine within 30 days of the issuance of the
3 citation, the court may impose the maximum fine and costs against the person and find the
4 person is guilty of a Code violation for purposes of subsection (c)(2)(ii) of this section.]

5 (g) The issuing jurisdiction shall forward a copy of the citation and a request for
6 trial to the District Court in the district having venue.

7 (h) [(1)] The failure of a defendant to respond to a summons described in
8 subsection (c)(2) of this section shall be governed by § 5–212 of the Criminal Procedure
9 Article.

10 [(2) If a person at least 21 years old fails to appear after having requested
11 a trial, the court may impose the maximum fine and costs against the person and find the
12 person is guilty of a Code violation for purposes of subsection (c)(2)(ii) of this section.]

13 (i) In any proceeding for a Code violation under § 5–601 of this part involving the
14 use or possession of less than [10 grams of marijuana] **THE PERSONAL USE AMOUNT OF**
15 **CANNABIS BY AN INDIVIDUAL UNDER THE AGE OF 21 YEARS:**

16 (1) the State has the burden to prove the guilt of the defendant by a
17 preponderance of the evidence;

18 (2) the court shall apply the evidentiary standards as prescribed by law or
19 rule for the trial of a criminal case;

20 (3) the court shall ensure that the defendant has received a copy of the
21 charges against the defendant and that the defendant understands those charges;

22 (4) the defendant is entitled to cross-examine all witnesses who appear
23 against the defendant, to produce evidence or witnesses on behalf of the defendant, and to
24 testify on the defendant's own behalf, if the defendant chooses to do so;

25 (5) the defendant is entitled to be represented by counsel of the defendant's
26 choice and at the expense of the defendant; and

27 (6) the defendant may enter a plea of guilty or not guilty, and the verdict
28 of the court in the case shall be:

29 (i) guilty of a Code violation;

30 (ii) not guilty of a Code violation; or

31 (iii) probation before judgment, imposed by the court in the same
32 manner and to the same extent as is allowed by law in the trial of a criminal case.

1 (j) (1) The defendant is liable for the costs of the proceedings in the District
2 Court.

3 (2) The court costs in a Code violation case under § 5–601 of this part
4 involving the use or possession of less than [10 grams of marijuana] **THE PERSONAL USE**
5 **AMOUNT OF CANNABIS BY AN INDIVIDUAL UNDER THE AGE OF 21 YEARS** in which
6 costs are imposed are \$5.

7 (k) (1) The State’s Attorney for any county may prosecute a Code violation
8 under § 5–601 of this part involving the use or possession of less than [10 grams of
9 marijuana] **THE PERSONAL USE AMOUNT OF CANNABIS BY AN INDIVIDUAL UNDER**
10 **THE AGE OF 21 YEARS** in the same manner as prosecution of a violation of the criminal
11 laws of the State.

12 (2) In a Code violation case under § 5–601 of this part involving the use or
13 possession of less than [10 grams of marijuana] **THE PERSONAL USE AMOUNT OF**
14 **CANNABIS BY AN INDIVIDUAL UNDER THE AGE OF 21 YEARS**, the State’s Attorney may:

15 (i) enter a nolle prosequi or move to place the case on the stet docket;
16 and

17 (ii) exercise authority in the same manner as prescribed by law for
18 violation of the criminal laws of the State.

19 (l) A person issued a citation for a violation of § 5–601 of this part involving the
20 use or possession of less than [10 grams of marijuana] **THE PERSONAL USE AMOUNT OF**
21 **CANNABIS** who is under the age of 18 years shall be subject to the procedures and
22 dispositions provided in Title 3, Subtitle 8A of the Courts Article.

23 (m) A citation for a violation of § 5–601 of this part involving the use or possession
24 of less than [10 grams of marijuana] **THE PERSONAL USE AMOUNT OF CANNABIS BY AN**
25 **INDIVIDUAL UNDER THE AGE OF 21 YEARS** and the official record of a court regarding
26 the citation are not subject to public inspection and may not be included on the public Web
27 site maintained by the Maryland Judiciary if:

28 (1) the defendant has prepaid the fine;

29 (2) the defendant has pled guilty to or been found guilty of the Code
30 violation and has fully paid the fine and costs imposed for the violation;

31 (3) the defendant has received a probation before judgment and has fully
32 paid the fine and completed any terms imposed by the court;

33 (4) the case has been removed from the stet docket after the defendant fully
34 paid the fine and completed any terms imposed by the court;

- 1 (5) the State has entered a nolle prosequi;
- 2 (6) the defendant has been found not guilty of the charge; or
- 3 (7) the charge has been dismissed.
- 4 5-620.

5 (d) (2) A person who violates this section involving the use or possession of
6 [marijuana] CANNABIS is subject to imprisonment not exceeding 1 year or a fine not
7 exceeding \$1,000 or both.

8 **SUBTITLE 12. CANNABIS.**

9 **5-1201.**

10 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
11 INDICATED.

12 (B) (1) "CANNABIS" MEANS ALL PARTS OF THE PLANT OF THE GENUS
13 CANNABIS, THE SEEDS OF THE PLANT, THE RESIN EXTRACTED FROM ANY PART OF
14 THE PLANT, AND EVERY COMPOUND, MANUFACTURE, SALT, DERIVATIVE, MIXTURE,
15 OR PREPARATION OF THE PLANT, ITS SEEDS, OR ITS RESIN, INCLUDING CANNABIS
16 CONCENTRATE.

17 (2) "CANNABIS" INCLUDES ANYTHING DEFINED IN THE STATE LAWS
18 AS "MARIJUANA" OR "HASHISH".

19 (3) "CANNABIS" DOES NOT INCLUDE:

20 (I) HEMP, AS DEFINED IN § 14-101 OF THE AGRICULTURE
21 ARTICLE, EXCEPT THAT AN EXTRACT OF CANNABINOIDS WITH
22 PSYCHOPHARMACOLOGICAL PROPERTIES, INCLUDING CANNABIDIOL, IS INCLUDED
23 IN THE DEFINITION OF CANNABIS; OR

24 (II) FIBER PRODUCED FROM THE STALKS, OIL OR CAKE MADE
25 FROM THE SEEDS OF THE PLANT, STERILIZED SEED OF THE PLANT THAT IS
26 INCAPABLE OF GERMINATION, OR THE WEIGHT OF ANOTHER INGREDIENT
27 COMBINED WITH CANNABIS TO PREPARE TOPICAL OR ORAL ADMINISTRATIONS,
28 FOOD, DRINK, OR OTHER PRODUCT.

29 (C) "CANNABIS ACCESSORIES" MEANS EQUIPMENT, PRODUCTS, OR
30 MATERIALS THAT ARE USED, INTENDED FOR USE, OR DESIGNED FOR USE IN
31 PLANTING, PROPAGATING, CULTIVATING, GROWING, HARVESTING, COMPOSTING,

1 MANUFACTURING, COMPOUNDING, CONVERTING, PRODUCING, PROCESSING,
2 PREPARING, TESTING, ANALYZING, PACKAGING, REPACKAGING, STORING,
3 VAPORIZING, OR CONTAINING CANNABIS, OR FOR INGESTING, INHALING, OR
4 OTHERWISE INTRODUCING CANNABIS INTO THE HUMAN BODY.

5 (D) (1) "CANNABIS CULTIVATION FACILITY" MEANS AN ENTITY
6 REGISTERED TO CULTIVATE, PREPARE, AND PACKAGE CANNABIS AND SELL
7 CANNABIS TO RETAIL CANNABIS STORES, TO CANNABIS PRODUCT MANUFACTURING
8 FACILITIES, TO ON-SITE CONSUMPTION ESTABLISHMENTS, AND TO OTHER
9 CANNABIS CULTIVATION FACILITIES, BUT NOT TO CONSUMERS.

10 (2) "CANNABIS CULTIVATION FACILITY" DOES NOT INCLUDE AN
11 ENTITY THAT PRODUCES CANNABIS CONCENTRATES, TINCTURES, EXTRACTS, OR
12 OTHER CANNABIS PRODUCTS.

13 (E) "CANNABIS ESTABLISHMENT" MEANS A CANNABIS CULTIVATION
14 FACILITY, AN ON-SITE CONSUMPTION ESTABLISHMENT, A CANNABIS TESTING
15 FACILITY, A CANNABIS PRODUCT MANUFACTURING FACILITY, A CANNABIS
16 TRANSPORTER, OR A RETAIL CANNABIS STORE.

17 (F) "CANNABIS MICROBUSINESS" MEANS A CANNABIS ESTABLISHMENT
18 THAT MEETS CRITERIA SET BY THE DIVISION, WHICH MAY INCLUDE LIMITATIONS BY
19 SIZE, NUMBER OF EMPLOYEES, GROSS REVENUES, TOTAL NUMBER OF PLANTS OR
20 POUNDS OF CANNABIS HANDLED ANNUALLY, OR OTHER MEASURES.

21 (G) "CANNABIS PRODUCT MANUFACTURING FACILITY" MEANS AN ENTITY
22 REGISTERED TO PURCHASE CANNABIS, MANUFACTURE, PREPARE, AND PACKAGE
23 CANNABIS PRODUCTS, AND SELL CANNABIS AND CANNABIS PRODUCTS TO CANNABIS
24 PRODUCT MANUFACTURING FACILITIES, ON-SITE CONSUMPTION
25 ESTABLISHMENTS, AND RETAIL CANNABIS STORES, BUT NOT TO CONSUMERS.

26 (H) "CANNABIS PRODUCTS" MEANS CONCENTRATED CANNABIS PRODUCTS
27 AND CANNABIS PRODUCTS THAT ARE COMPOSED OF CANNABIS AND OTHER
28 INGREDIENTS AND ARE INTENDED FOR USE OR CONSUMPTION, INCLUDING EDIBLE
29 PRODUCTS, TOPICAL OINTMENTS, AND TINCTURES.

30 (I) "CANNABIS TESTING FACILITY" MEANS AN ENTITY REGISTERED TO
31 TEST CANNABIS FOR POTENCY AND CONTAMINANTS.

32 (J) "CANNABIS TRANSPORTER" MEANS AN ENTITY REGISTERED TO
33 TRANSPORT CANNABIS BETWEEN CANNABIS ESTABLISHMENTS.

34 (K) "CONSUMER" MEANS A PERSON AT LEAST 21 YEARS OLD WHO

1 PURCHASES CANNABIS OR CANNABIS PRODUCTS FOR PERSONAL USE, BUT NOT FOR
2 RESALE.

3 (L) "DIVISION" MEANS THE CANNABIS REGULATION DIVISION IN THE
4 OFFICE OF THE COMPTROLLER, OR ITS SUCCESSOR AGENCY.

5 (M) "IMMATURE CANNABIS PLANT" MEANS A CANNABIS PLANT THAT HAS
6 NOT FLOWERED AND THAT DOES NOT HAVE BUDS THAT MAY BE OBSERVED BY
7 VISUAL EXAMINATION.

8 (N) "LOCALITY" MEANS A COUNTY, MUNICIPAL CORPORATION, OR
9 POLITICAL SUBDIVISION OF THE STATE.

10 (O) "ON-SITE CONSUMPTION ESTABLISHMENT" MEANS AN ENTITY
11 REGISTERED TO SELL CANNABIS OR CANNABIS PRODUCTS FOR ON-SITE
12 CONSUMPTION OR AN ENTITY REGISTERED TO ALLOW CONSUMERS TO BRING
13 PERSONALLY OWNED CANNABIS OR CANNABIS PRODUCTS FOR ON-SITE
14 CONSUMPTION.

15 (P) "PERSONAL USE AMOUNT" HAS THE MEANING STATED IN § 5-601 OF
16 THIS TITLE.

17 (Q) (1) "PUBLIC PLACE" MEANS ANY PLACE TO WHICH THE GENERAL
18 PUBLIC HAS ACCESS.

19 (2) "PUBLIC PLACE" DOES NOT INCLUDE AN ON-SITE CONSUMPTION
20 ESTABLISHMENT.

21 (R) "REMUNERATION" MEANS A THING OF VALUE, INCLUDING MONETARY
22 PAYMENT, A DONATION, THE PROVISION OF A SERVICE, THE PURCHASE OF AN ITEM
23 AT ABOVE FAIR MARKET VALUE, OR THE TRADE OF A PHYSICAL ITEM OF VALUE.

24 (S) "RETAIL CANNABIS STORE" MEANS AN ENTITY REGISTERED TO
25 PURCHASE CANNABIS FROM CANNABIS CULTIVATION FACILITIES AND CANNABIS
26 AND CANNABIS PRODUCTS FROM CANNABIS PRODUCT MANUFACTURING FACILITIES
27 AND TO SELL CANNABIS AND CANNABIS PRODUCTS TO CONSUMERS.

28 (T) "UNREASONABLY IMPRACTICABLE" MEANS THAT THE MEASURES
29 NECESSARY TO COMPLY WITH THE REGULATIONS REQUIRE SUCH A HIGH
30 INVESTMENT OF RISK, MONEY, TIME, OR OTHER RESOURCE OR ASSET THAT THE
31 OPERATION OF A CANNABIS ESTABLISHMENT IS NOT WORTHY OF BEING CARRIED
32 OUT IN PRACTICE BY A REASONABLY PRUDENT BUSINESSPERSON.

1 **5-1202.**

2 (A) THERE IS A CANNABIS REGULATION DIVISION IN THE OFFICE OF THE
3 COMPTROLLER.

4 (B) THE COMPTROLLER MAY EMPLOY OFFICERS AND EMPLOYEES OF THE
5 DIVISION AS PROVIDED IN THE STATE BUDGET.

6 **5-1203.**

7 (A) IN THIS SECTION, "PROCESSING" AND "MANUFACTURING" DO NOT
8 INCLUDE:

9 (1) PERFORMING EXTRACTIONS USING SOLVENTS OTHER THAN
10 WATER, GLYCERIN, PROPYLENE GLYCOL, VEGETABLE OIL, OR FOOD-GRADE
11 ETHANOL; OR

12 (2) EXTRACTING COMPOUNDS FROM CANNABIS USING ETHANOL IN
13 THE PRESENCE OR VICINITY OF OPEN FLAME.

14 (B) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, EXCEPT AS
15 OTHERWISE PROVIDED IN THIS SUBTITLE, THE FOLLOWING ACTS ARE NOT
16 UNLAWFUL AND ARE NOT A CRIMINAL OR CIVIL OFFENSE UNDER STATE LAW OR THE
17 LAW OF ANY POLITICAL SUBDIVISION OF MARYLAND OR A BASIS FOR SEIZURE OR
18 FORFEITURE OF ASSETS UNDER STATE LAW FOR PERSONS AT LEAST 21 YEARS OLD:

19 (1) POSSESSING, CONSUMING, GROWING, USING, PROCESSING,
20 MANUFACTURING, PURCHASING, OR TRANSPORTING AN AMOUNT OF CANNABIS
21 THAT DOES NOT EXCEED THE PERSONAL USE AMOUNT OF CANNABIS;

22 (2) TRANSFERRING AN AMOUNT OF CANNABIS THAT DOES NOT
23 EXCEED THE POSSESSION LIMIT TO A PERSON WHO IS AT LEAST 21 YEARS OLD
24 WITHOUT REMUNERATION;

25 (3) CONTROLLING PROPERTY WHERE ACTIONS DESCRIBED BY THIS
26 SECTION OCCUR; AND

27 (4) ASSISTING ANOTHER PERSON WHO IS AT LEAST 21 YEARS OLD IN
28 AN ACT DESCRIBED IN THIS SECTION.

29 (C) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, UNLESS THE
30 COURT OR THE MARYLAND PAROLE COMMISSION MAKES A SPECIFIC FINDING THAT
31 THE INDIVIDUAL PAROLEE OR PROBATIONER'S USE OF CANNABIS COULD CREATE A

1 DANGER TO THE INDIVIDUAL OR OTHER PERSONS, IT IS NOT A VIOLATION OF
2 CONDITIONS OF PAROLE OR PROBATION TO:

3 (1) ENGAGE IN CONDUCT ALLOWED BY THIS SECTION; OR

4 (2) TEST POSITIVE FOR CANNABIS, DELTA-9
5 TETRAHYDROCANNABINOL, OR ANY OTHER CANNABINOID.

6 5-1204.

7 (A) IT IS UNLAWFUL TO CULTIVATE CANNABIS PLANTS IN A MANNER THAT
8 IS CONTRARY TO THIS SECTION.

9 (B) CANNABIS PLANTS MAY NOT BE CULTIVATED IN A LOCATION WHERE
10 THE PLANTS ARE SUBJECT TO PUBLIC VIEW, INCLUDING A VIEW FROM ANOTHER
11 PRIVATE PROPERTY, WITHOUT THE USE OF BINOCULARS, AIRCRAFT, OR OTHER
12 OPTICAL AIDS.

13 (C) (1) IN THIS SUBSECTION, "REASONABLE PRECAUTIONS" INCLUDES
14 CULTIVATING CANNABIS IN AN ENCLOSED LOCKED SPACE TO WHICH PERSONS
15 UNDER THE AGE OF 21 YEARS DO NOT POSSESS A KEY.

16 (2) A PERSON WHO CULTIVATES CANNABIS SHALL TAKE REASONABLE
17 PRECAUTIONS TO ENSURE THE PLANTS ARE SECURE FROM UNAUTHORIZED ACCESS
18 AND ACCESS BY A PERSON UNDER THE AGE OF 21 YEARS.

19 (D) CANNABIS CULTIVATION MAY OCCUR ONLY ON PROPERTY LAWFULLY IN
20 POSSESSION OF THE CULTIVATOR OR WITH THE CONSENT OF THE PERSON IN
21 LAWFUL POSSESSION OF THE PROPERTY.

22 (E) A VIOLATION OF THIS SECTION IS A CIVIL OFFENSE PUNISHABLE BY A
23 FINE NOT EXCEEDING \$750 OR COMMUNITY SERVICE NOT EXCEEDING 50 HOURS OR
24 BOTH.

25 5-1205.

26 (A) A PERSON MAY NOT CONSUME CANNABIS WHILE OPERATING OR
27 DRIVING A MOTOR VEHICLE, A BOAT, A VESSEL, AN AIRCRAFT, OR ANY OTHER
28 MOTORIZED DEVICE USED FOR TRANSPORTATION.

29 (B) A PERSON MAY NOT SMOKE CANNABIS IN AN ENCLOSED AREA OF A
30 MOTOR VEHICLE, A BOAT, A VESSEL, AN AIRCRAFT, OR ANY OTHER MOTORIZED
31 DEVICE USED FOR TRANSPORTATION WHILE THE DEVICE IS BEING OPERATED OR

1 DRIVEN, UNLESS THE DEVICE IS A HIRED VEHICLE AND THERE IS A PHYSICAL
2 DIVIDER BETWEEN THE DRIVER OR OPERATOR AND THE PERSON.

3 (C) A PERSON WHO VIOLATES THIS SECTION IS GUILTY OF A MISDEMEANOR
4 AND ON CONVICTION IS SUBJECT TO:

5 (1) FOR A FIRST CONVICTION, IMPRISONMENT NOT EXCEEDING 90
6 DAYS OR A FINE NOT EXCEEDING \$1,000 OR BOTH; AND

7 (2) FOR EACH SUBSEQUENT CONVICTION, IMPRISONMENT NOT
8 EXCEEDING 180 DAYS OR A FINE NOT EXCEEDING \$2,000 OR BOTH.

9 (D) (1) FOR A FIRST CONVICTION OF SUBSECTION (A) OF THIS SECTION,
10 THE MOTOR VEHICLE ADMINISTRATION MAY SUSPEND THE DRIVER'S LICENSE OF
11 THE PERSON FOR A PERIOD NOT TO EXCEED 6 MONTHS.

12 (2) FOR A SUBSEQUENT CONVICTION OF SUBSECTION (A) OF THIS
13 SECTION, THE MOTOR VEHICLE ADMINISTRATION MAY SUSPEND THE DRIVER'S
14 LICENSE OF THE PERSON FOR A PERIOD NOT TO EXCEED 1 YEAR.

15 5-1206.

16 (A) A PERSON WHO IS UNDER THE AGE OF 21 YEARS MAY NOT PRESENT OR
17 OFFER TO A CANNABIS ESTABLISHMENT OR THE CANNABIS ESTABLISHMENT'S
18 AGENT OR EMPLOYEE WRITTEN OR ORAL EVIDENCE OF AGE THAT IS FALSE,
19 FRAUDULENT, OR NOT ACTUALLY THE PERSON'S OWN, FOR THE PURPOSE OF:

20 (1) PURCHASING, ATTEMPTING TO PURCHASE, OR OTHERWISE
21 PROCURING OR ATTEMPTING TO PROCURE CANNABIS; OR

22 (2) GAINING ACCESS TO A CANNABIS ESTABLISHMENT.

23 (B) A VIOLATION OF THIS SECTION IS A CIVIL OFFENSE PUNISHABLE BY A
24 FINE NOT EXCEEDING \$150 OR COMMUNITY SERVICE NOT EXCEEDING 10 HOURS OR
25 BOTH.

26 5-1207.

27 (A) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, IT IS NOT
28 UNLAWFUL AND NOT AN OFFENSE UNDER STATE LAW OR THE LAW OF A POLITICAL
29 SUBDIVISION OF THE STATE OR A BASIS FOR SEIZURE OR FORFEITURE OF ASSETS
30 FOR A PERSON AT LEAST 21 YEARS OLD TO MANUFACTURE, POSSESS, OR PURCHASE
31 CANNABIS ACCESSORIES, OR TO DISTRIBUTE OR SELL CANNABIS ACCESSORIES TO A

1 PERSON AT LEAST 21 YEARS OLD.

2 (B) A PERSON WHO IS AT LEAST 21 YEARS OLD MAY MANUFACTURE,
3 POSSESS, AND PURCHASE CANNABIS ACCESSORIES, AND DISTRIBUTE OR SELL
4 CANNABIS ACCESSORIES TO A PERSON WHO IS AT LEAST 21 YEARS OLD.

5 (C) THIS SECTION IS INCLUDED TO SATISFY THE REQUIREMENTS OF 21
6 U.S.C. § 863(F) BY AUTHORIZING, UNDER STATE LAW, A PERSON IN COMPLIANCE
7 WITH THIS SUBTITLE TO MANUFACTURE, POSSESS, OR DISTRIBUTE CANNABIS
8 ACCESSORIES.

9 5-1208.

10 (A) IN THIS SECTION, "DELIVERING" MEANS THE TRANSPORTING OF
11 CANNABIS, CANNABIS PRODUCTS, AND CANNABIS ACCESSORIES TO A CONSUMER.

12 (B) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE FOLLOWING
13 ACTS, WHEN PERFORMED BY A RETAIL CANNABIS STORE WITH A CURRENT, VALID
14 REGISTRATION, OR A PERSON AT LEAST 21 YEARS OLD WHO IS ACTING IN A CAPACITY
15 AS AN OWNER, EMPLOYEE, OR AGENT OF A RETAIL CANNABIS STORE, ARE NOT
16 UNLAWFUL AND NOT AN OFFENSE UNDER STATE LAW OR A BASIS FOR SEIZURE OR
17 FORFEITURE OF ASSETS:

18 (1) POSSESSING, DISPLAYING, STORING, OR TRANSPORTING
19 CANNABIS OR CANNABIS PRODUCTS;

20 (2) PURCHASING CANNABIS FROM A CANNABIS CULTIVATION
21 FACILITY;

22 (3) PURCHASING CANNABIS OR CANNABIS PRODUCTS FROM A
23 CANNABIS PRODUCT MANUFACTURING FACILITY OR CANNABIS TRANSPORTER;

24 (4) TRANSFERRING CANNABIS OR CANNABIS PRODUCTS TO A
25 CANNABIS TESTING FACILITY;

26 (5) DISTRIBUTING OR SELLING CANNABIS OR CANNABIS PRODUCTS
27 TO RETAIL CANNABIS STORES;

28 (6) SELLING PRODUCTS OR SERVICES OTHER THAN CANNABIS OR
29 CANNABIS PRODUCTS, IN COMPLIANCE WITH OTHER APPLICABLE LAWS; AND

30 (7) DELIVERING, DISTRIBUTING, TRANSFERRING, OR SELLING
31 CANNABIS OR CANNABIS PRODUCTS TO CONSUMERS.

1 (C) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE FOLLOWING
2 ACTS, WHEN PERFORMED BY AN ON-SITE CONSUMPTION ESTABLISHMENT WITH A
3 CURRENT, VALID REGISTRATION, OR A PERSON AT LEAST 21 YEARS OLD WHO IS
4 ACTING IN THE PERSON'S CAPACITY AS AN OWNER, EMPLOYEE, OR AGENT OF AN
5 ON-SITE CONSUMPTION ESTABLISHMENT, ARE NOT UNLAWFUL AND ARE NOT AN
6 OFFENSE UNDER STATE LAW OR A BASIS FOR SEIZURE OR FORFEITURE OF ASSETS
7 UNDER STATE LAW:

8 (1) POSSESSING, DISPLAYING, STORING, OR TRANSPORTING
9 CANNABIS OR CANNABIS PRODUCTS;

10 (2) PURCHASING CANNABIS FROM A CANNABIS CULTIVATION
11 FACILITY;

12 (3) PURCHASING CANNABIS OR CANNABIS PRODUCTS FROM A
13 CANNABIS PRODUCT MANUFACTURING FACILITY OR CANNABIS TRANSPORTER;

14 (4) TRANSFERRING CANNABIS OR CANNABIS PRODUCTS TO A
15 CANNABIS TESTING FACILITY;

16 (5) DELIVERING, DISTRIBUTING, OR SELLING CANNABIS OR
17 CANNABIS PRODUCTS TO A CONSUMER OR AN ON-SITE CONSUMPTION
18 ESTABLISHMENT; AND

19 (6) SELLING PRODUCTS OR SERVICES OTHER THAN CANNABIS OR
20 CANNABIS PRODUCTS, IN COMPLIANCE WITH OTHER APPLICABLE LAWS, EXCEPT
21 THAT AN ON-SITE CONSUMPTION ESTABLISHMENT MAY NOT SELL ALCOHOL.

22 (D) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE FOLLOWING
23 ACTS, WHEN PERFORMED BY A CANNABIS CULTIVATION FACILITY WITH A CURRENT,
24 VALID REGISTRATION, OR A PERSON AT LEAST 21 YEARS OLD WHO IS ACTING IN A
25 CAPACITY AS AN OWNER, EMPLOYEE, OR AGENT OF A CANNABIS CULTIVATION
26 FACILITY, ARE NOT UNLAWFUL AND NOT AN OFFENSE UNDER STATE LAW OR A BASIS
27 FOR SEIZURE OR FORFEITURE OF ASSETS UNDER STATE LAW:

28 (1) CULTIVATING, HARVESTING, PROCESSING, PACKAGING,
29 TRANSPORTING, DISPLAYING, STORING, OR POSSESSING CANNABIS;

30 (2) TRANSFERRING CANNABIS TO A CANNABIS TESTING FACILITY;

31 (3) TRANSFERRING, DISTRIBUTING, OR SELLING CANNABIS TO A
32 CANNABIS CULTIVATION FACILITY, A CANNABIS PRODUCT MANUFACTURING

1 FACILITY, A CANNABIS TRANSPORTER, AN ON-SITE CONSUMPTION ESTABLISHMENT,
2 OR A RETAIL CANNABIS STORE;

3 (4) RECEIVING OR PURCHASING CANNABIS FROM A CANNABIS
4 CULTIVATION FACILITY OR A CANNABIS TRANSPORTER; AND

5 (5) RECEIVING CANNABIS SEEDS OR IMMATURE CANNABIS PLANTS
6 FROM A PERSON AT LEAST 21 YEARS OLD.

7 (E) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE FOLLOWING
8 ACTS, WHEN PERFORMED BY A CANNABIS PRODUCT MANUFACTURING FACILITY
9 WITH A CURRENT, VALID REGISTRATION, OR A PERSON AT LEAST 21 YEARS OLD
10 ACTING IN A CAPACITY AS AN OWNER, EMPLOYEE, OR AGENT OF A CANNABIS
11 PRODUCT MANUFACTURING FACILITY, ARE NOT UNLAWFUL AND NOT AN OFFENSE
12 UNDER STATE LAW OR A BASIS FOR SEIZURE OR FORFEITURE OF ASSETS UNDER
13 STATE LAW:

14 (1) PACKAGING, PROCESSING, TRANSPORTING, MANUFACTURING,
15 DISPLAYING, OR POSSESSING CANNABIS OR CANNABIS PRODUCTS;

16 (2) TRANSFERRING CANNABIS OR CANNABIS PRODUCTS TO A
17 CANNABIS TESTING FACILITY;

18 (3) TRANSFERRING, DISTRIBUTING, OR SELLING CANNABIS OR
19 CANNABIS PRODUCTS TO A RETAIL CANNABIS STORE, AN ON-SITE CONSUMPTION
20 ESTABLISHMENT, A CANNABIS TRANSPORTER, OR A CANNABIS PRODUCT
21 MANUFACTURING FACILITY;

22 (4) PURCHASING CANNABIS FROM A CANNABIS CULTIVATION
23 FACILITY; AND

24 (5) PURCHASING CANNABIS OR CANNABIS PRODUCTS FROM A
25 CANNABIS PRODUCT MANUFACTURING FACILITY OR A CANNABIS TRANSPORTER.

26 (F) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE FOLLOWING
27 ACTS, WHEN PERFORMED BY A CANNABIS TESTING FACILITY WITH A CURRENT,
28 VALID REGISTRATION, OR A PERSON AT LEAST 21 YEARS OLD ACTING IN A CAPACITY
29 AS AN OWNER, EMPLOYEE, OR AGENT OF A CANNABIS TESTING FACILITY, ARE NOT
30 UNLAWFUL AND NOT AN OFFENSE UNDER STATE LAW OR A BASIS FOR SEIZURE OR
31 FORFEITURE OF ASSETS UNDER STATE LAW:

32 (1) POSSESSING, CULTIVATING, PROCESSING, REPACKAGING,
33 STORING, TRANSPORTING, OR DISPLAYING CANNABIS OR CANNABIS PRODUCTS;

1 **(2) RECEIVING CANNABIS OR CANNABIS PRODUCTS FROM A**
2 **CANNABIS ESTABLISHMENT OR A PERSON AT LEAST 21 YEARS OLD; AND**

3 **(3) RETURNING CANNABIS OR CANNABIS PRODUCTS TO A CANNABIS**
4 **ESTABLISHMENT, OR A PERSON AT LEAST 21 YEARS OLD.**

5 **(G) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE FOLLOWING**
6 **ACTS, WHEN PERFORMED BY A CANNABIS TRANSPORTER WITH A CURRENT, VALID**
7 **REGISTRATION, OR A PERSON AT LEAST 21 YEARS OLD ACTING IN A CAPACITY AS AN**
8 **OWNER, EMPLOYEE, OR AGENT OF A CANNABIS TRANSPORTER, ARE NOT UNLAWFUL**
9 **AND NOT AN OFFENSE UNDER STATE LAW OR A BASIS FOR SEIZURE OR FORFEITURE**
10 **OF ASSETS UNDER STATE LAW:**

11 **(1) PURCHASING CANNABIS OR CANNABIS PRODUCTS FROM A**
12 **CANNABIS ESTABLISHMENT;**

13 **(2) POSSESSING, STORING, OR TRANSPORTING CANNABIS OR**
14 **CANNABIS PRODUCTS; AND**

15 **(3) DISTRIBUTING, SELLING, OR TRANSFERRING CANNABIS OR**
16 **CANNABIS PRODUCTS TO A CANNABIS ESTABLISHMENT.**

17 **(H) NOTHING IN THIS SECTION PREVENTS THE IMPOSITION OF PENALTIES**
18 **FOR VIOLATING THIS SUBTITLE OR RULES ADOPTED BY THE DIVISION OR**
19 **LOCALITIES IN ACCORDANCE WITH THIS SUBTITLE.**

20 **5-1209.**

21 **(A) A CANNABIS ESTABLISHMENT OR AN AGENT OR STAFFER OF A CANNABIS**
22 **ESTABLISHMENT MAY NOT SELL, DELIVER, GIVE, TRANSFER, OR OTHERWISE**
23 **FURNISH CANNABIS TO A PERSON UNDER THE AGE OF 21 YEARS.**

24 **(B) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBTITLE, IN A**
25 **PROSECUTION FOR SELLING, TRANSFERRING, DELIVERING, DISTRIBUTING, GIVING,**
26 **OR OTHERWISE FURNISHING CANNABIS, CANNABIS PRODUCTS, OR CANNABIS**
27 **PARAPHERNALIA TO A PERSON UNDER THE AGE OF 21 YEARS, IT IS A COMPLETE**
28 **DEFENSE IF:**

29 **(1) THE PERSON WHO SOLD, GAVE, OR OTHERWISE FURNISHED**
30 **CANNABIS, CANNABIS PRODUCTS, OR CANNABIS PARAPHERNALIA WAS A RETAIL**
31 **CANNABIS STORE OR AN ON-SITE CONSUMPTION ESTABLISHMENT OR WAS ACTING**
32 **IN A CAPACITY AS AN OWNER, EMPLOYEE, OR AGENT OF A RETAIL CANNABIS STORE**

1 OR AN ON-SITE CONSUMPTION ESTABLISHMENT AT THE TIME THE CANNABIS,
2 CANNABIS PRODUCTS, OR CANNABIS PARAPHERNALIA WAS SOLD, GIVEN, OR
3 OTHERWISE FURNISHED TO THE PERSON; AND

4 (2) BEFORE SELLING, GIVING, OR OTHERWISE FURNISHING
5 CANNABIS, CANNABIS PRODUCTS, OR CANNABIS PARAPHERNALIA TO A PERSON WHO
6 IS UNDER THE AGE OF 21 YEARS, THE PERSON WHO SOLD, GAVE, OR OTHERWISE
7 FURNISHED THE CANNABIS OR CANNABIS PARAPHERNALIA, OR A STAFFER OR AN
8 AGENT OF THE RETAIL CANNABIS STORE, WAS SHOWN A DOCUMENT THAT APPEARED
9 TO BE ISSUED BY AN AGENCY OF A FEDERAL, STATE, TRIBAL, OR FOREIGN
10 SOVEREIGN GOVERNMENT AND THAT INDICATED THAT THE PERSON TO WHOM THE
11 CANNABIS OR CANNABIS PARAPHERNALIA WAS SOLD, GIVEN, OR OTHERWISE
12 FURNISHED WAS AT LEAST 21 YEARS OLD AT THE TIME THE CANNABIS OR CANNABIS
13 PARAPHERNALIA WAS SOLD, GIVEN, OR OTHERWISE FURNISHED TO THE PERSON.

14 (C) A DEFENSE SET FORTH IN THIS SECTION DOES NOT APPLY IF:

15 (1) THE DOCUMENT THAT WAS SHOWN TO THE PERSON WHO SOLD,
16 GAVE, OR OTHERWISE FURNISHED THE CANNABIS, CANNABIS PRODUCT, OR
17 CANNABIS PARAPHERNALIA WAS COUNTERFEIT, FORGED, ALTERED, OR ISSUED TO
18 A PERSON OTHER THAN THE PERSON TO WHOM THE CANNABIS, CANNABIS
19 PRODUCTS, OR CANNABIS PARAPHERNALIA WAS SOLD, GIVEN, OR OTHERWISE
20 FURNISHED; AND

21 (2) UNDER THE CIRCUMSTANCES, A REASONABLE PERSON WOULD
22 HAVE KNOWN OR SUSPECTED THAT THE DOCUMENT WAS COUNTERFEIT, FORGED,
23 ALTERED, OR ISSUED TO A PERSON OTHER THAN THE PERSON TO WHOM THE
24 CANNABIS, CANNABIS PRODUCT, OR CANNABIS PARAPHERNALIA WAS SOLD, GIVEN,
25 OR OTHERWISE FURNISHED.

26 5-1210.

27 (A) A HOLDER OF A PROFESSIONAL OR OCCUPATIONAL LICENSE MAY NOT
28 BE SUBJECT TO PROFESSIONAL DISCIPLINE FOR PROVIDING ADVICE OR SERVICES
29 RELATED TO CANNABIS ESTABLISHMENTS OR APPLICATIONS TO OPERATE
30 CANNABIS ESTABLISHMENTS ON THE BASIS THAT CANNABIS IS ILLEGAL UNDER
31 FEDERAL LAW.

32 (B) AN APPLICANT FOR A PROFESSIONAL OR OCCUPATIONAL LICENSE MAY
33 NOT BE DENIED A LICENSE BASED ON PREVIOUS EMPLOYMENT RELATED TO
34 CANNABIS ESTABLISHMENTS OPERATING IN ACCORDANCE WITH STATE LAW.

35 5-1211.

1 **(A) (1) NOT LATER THAN 180 DAYS AFTER OCTOBER 1, 2019, THE**
2 **DIVISION SHALL ADOPT REGULATIONS NECESSARY FOR IMPLEMENTATION OF THIS**
3 **SUBTITLE.**

4 **(2) THE REGULATIONS MAY NOT PROHIBIT THE OPERATION OF**
5 **CANNABIS ESTABLISHMENTS, EITHER EXPRESSLY OR THROUGH REGULATIONS**
6 **THAT MAKE THE OPERATION OF A CANNABIS ESTABLISHMENT UNREASONABLY**
7 **IMPRACTICABLE.**

8 **(3) THE REGULATIONS SHALL INCLUDE:**

9 **(I) PROCEDURES TO ALLOW EXISTING DISPENSARIES,**
10 **PROCESSORS, LABORATORIES, OR CULTIVATORS LICENSED IN ACCORDANCE WITH**
11 **TITLE 13, SUBTITLE 33 OF THE HEALTH – GENERAL ARTICLE TO APPLY, ON AN**
12 **EXPEDITED BASIS, FOR A DUAL LICENSE TO ALSO SERVE THE CONSUMERS BY:**

13 **1. PAYING AN ADDITIONAL FEE SET BY THE DIVISION;**

14 **2. SUBMITTING A DOCUMENT FROM THE MARYLAND**
15 **MEDICAL CANNABIS COMMISSION STATING THAT THE APPLICANT HAS NOT BEEN**
16 **SANCTIONED FOR MULTIPLE OR SERIOUS VIOLATIONS OF THE COMMISSION’S**
17 **RULES AND REGULATIONS AND IS CURRENTLY IN COMPLIANCE WITH THOSE RULES**
18 **AND REGULATIONS, UNLESS THE COMMISSION FAILS TO RESPOND TO THE REQUEST**
19 **FOR THE DOCUMENTATION WITHIN 30 DAYS AFTER A WRITTEN REQUEST, IN WHICH**
20 **CASE THE APPLICANT MAY SUBMIT AN AFFIDAVIT FROM THE CEO OR BOARD**
21 **PRESIDENT STATING THAT THE APPLICANT HAS NOT BEEN SANCTIONED FOR**
22 **MULTIPLE OR SERIOUS VIOLATIONS OF THE COMMISSION’S RULES AND**
23 **REGULATIONS AND IS CURRENTLY IN COMPLIANCE WITH THOSE RULES AND**
24 **REGULATIONS;**

25 **3. SUBMITTING A PLAN EXPLAINING HOW THE**
26 **APPLICANT INTENDS TO CONTINUE SERVING PATIENTS REGISTERED WITH THE**
27 **MARYLAND MEDICAL CANNABIS COMMISSION, WITHOUT INCREASING PRICES OR**
28 **REDUCING PRODUCT AVAILABILITY; AND**

29 **4. SUBMITTING A PLAN EXPLAINING HOW THE**
30 **APPLICANT WILL ENSURE THAT PATIENTS UNDER THE AGE OF 21 YEARS DO NOT**
31 **HAVE ACCESS TO THE ADULT-USE SECTION OF THE APPLICANT’S FACILITY, IF**
32 **APPLICABLE;**

33 **(II) PROCEDURES TO SUSPEND A DUAL LICENSE FOR A MEDICAL**
34 **CANNABIS BUSINESS THAT HAS FAILED TO MAINTAIN REASONABLE PRICES AND**

1 **PRODUCT AVAILABILITY DURING THE PERIOD OF EXPEDITED LICENSING;**

2 **(III) PROCEDURES FOR THE ISSUANCE, RENEWAL, SUSPENSION,**
3 **AND REVOCATION OF A REGISTRATION TO OPERATE A CANNABIS ESTABLISHMENT**
4 **AND POLICIES AND PROCEDURES GOVERNING THE DIVISION'S APPROVAL OF THE**
5 **TRANSFER OF A CANNABIS MICROBUSINESS DESCRIBED IN ITEM (V) OF THIS**
6 **PARAGRAPH;**

7 **(IV) PROCEDURES AND POLICIES TO PROMOTE AND ENCOURAGE**
8 **FULL PARTICIPATION IN THE REGULATED CANNABIS INDUSTRY BY PEOPLE FROM**
9 **COMMUNITIES THAT HAVE PREVIOUSLY BEEN DISPROPORTIONATELY HARMED BY**
10 **CANNABIS PROHIBITION AND ENFORCEMENT AND TO POSITIVELY IMPACT THOSE**
11 **COMMUNITIES, INCLUDING:**

12 **1. REGULATIONS TO IMPLEMENT REMEDIAL MEASURES**
13 **JUSTIFIED BY A DISPARITY STUDY TO BE CONDUCTED BY THE DIVISION PRIOR TO**
14 **THE ISSUANCE OF REGULATIONS UNDER THIS SUBTITLE; AND**

15 **2. ENSURING THAT NONE OF THE QUALIFICATIONS FOR**
16 **REGISTRATION HAVE A DISPARATE IMPACT ON APPLICANTS FROM A PROTECTED**
17 **CLASS;**

18 **(V) RULES ESTABLISHING AND GOVERNING A SEPARATE**
19 **CATEGORY OF VERTICALLY INTEGRATED CANNABIS MICROBUSINESSES, THAT**
20 **SHALL:**

21 **1. EXIST IN EACH CATEGORY OF CANNABIS**
22 **ESTABLISHMENTS AND CONSIST OF 15% OF THE LICENSES ISSUED IN EACH**
23 **CATEGORY EXCEPT FOR TESTING LABS;**

24 **2. BE LIMITED IN SIZE AND BASED ON NUMBER OF**
25 **EMPLOYEES, GROSS REVENUES, TOTAL NUMBER OF PLANTS OR POUNDS OF**
26 **CANNABIS HANDLED ANNUALLY, OR OTHER METHOD OR METHODS SELECTED BY**
27 **THE DIVISION;**

28 **3. HAVE LIMITATIONS ON THE INCOME AND WEALTH OF**
29 **THE APPLICANT AND OTHER INDIVIDUALS WITH A LARGE STAKE IN THE BUSINESS**
30 **TO ENSURE THAT THE APPLICANT AND OTHER INDIVIDUALS SERVE THE INTENDED**
31 **PURPOSE OF GIVING OPPORTUNITIES TO SMALL ENTREPRENEURS WHO MIGHT**
32 **OTHERWISE BE UNABLE TO PARTICIPATE;**

33 **4. ENSURE THAT NO INVESTOR HOLDING A SIGNIFICANT**
34 **STAKE IN A CANNABIS MICROBUSINESS, OR WHO HAS A RIGHT TO CONTROL THE**

1 OPERATION OF A CANNABIS MICROBUSINESS, HAS A STAKE IN ANOTHER CANNABIS
2 ESTABLISHMENT;

3 5. ENSURE THAT A TRANSFER OF A CANNABIS
4 MICROBUSINESS LICENSE IS SUBJECT TO DIVISION APPROVAL AND ENSURE THAT
5 THE TRANSFEREE ALSO MEETS THE LICENSING QUALIFICATIONS FOR A CANNABIS
6 MICROBUSINESS; AND

7 6. PROVIDE FOR LOWER FEES THAN REQUIRED FOR
8 OTHER APPLICANTS;

9 (VI) A SCHEDULE OF REASONABLE APPLICATION,
10 REGISTRATION, AND RENEWAL FEES, PROVIDED APPLICATION FEES SHALL NOT
11 EXCEED \$5,000, WITH THIS UPPER LIMIT ADJUSTED ANNUALLY FOR INFLATION,
12 UNLESS THE DIVISION DETERMINES A GREATER FEE IS NECESSARY TO CARRY OUT
13 ITS RESPONSIBILITIES UNDER THIS SUBTITLE;

14 (VII) A PROCEDURE FOR DETERMINING WHETHER
15 APPLICANTS FOR REGISTRATION ARE QUALIFIED, INCLUDING REQUIRING THAT:

16 1. ALL QUALIFICATIONS FOR REGISTRATION BE
17 DIRECTLY AND DEMONSTRABLY RELATED TO THE OPERATION OF A CANNABIS
18 ESTABLISHMENT; AND

19 2. AN APPLICANT MAY NOT BE DENIED LICENSING FOR A
20 CONVICTION FOR A DRUG OFFENSE THAT OCCURRED BEFORE OCTOBER 1, 2019,
21 UNLESS:

22 A. THE OFFENSE INVOLVED A MINOR, NOT INCLUDING
23 THE APPLICANT; OR

24 B. THE OFFENSE WAS NOT FOR SIMPLE POSSESSION AND
25 LESS THAN 5 YEARS HAVE PASSED SINCE THE SENTENCE, INCLUDING THE
26 COMPLETION OF ANY PERIOD OF PAROLE OR PROBATION;

27 (VIII) A PROCEDURE FOR CONDUCTING A LOTTERY TO SELECT
28 FROM AMONG THE QUALIFIED APPLICANTS IN EACH LICENSE CATEGORY IN THE
29 EVENT THAT THERE ARE MORE APPLICANTS THAN THE AVAILABLE NUMBER OF
30 LICENSES;

31 (IX) SECURITY REQUIREMENTS INCLUDING LIGHTING,
32 PHYSICAL SECURITY, VIDEO, AND ALARM REQUIREMENTS;

1 **(X) REQUIREMENTS FOR THE TRANSPORTATION AND**
2 **STORAGE OF CANNABIS AND CANNABIS PRODUCTS BY CANNABIS ESTABLISHMENTS;**

3 **(XI) REQUIREMENTS FOR THE DELIVERY OF CANNABIS AND**
4 **CANNABIS PRODUCTS TO CONSUMERS, INCLUDING A PROHIBITION ON DELIVERING**
5 **TO AN ADDRESS LOCATED ON LAND OWNED BY THE FEDERAL GOVERNMENT OR AN**
6 **ADDRESS ON LAND OR IN A BUILDING LEASED BY THE FEDERAL GOVERNMENT;**

7 **(XII) REQUIREMENTS DESIGNED TO PREVENT THE SALE OR**
8 **DIVERSION OF CANNABIS AND CANNABIS PRODUCTS TO PERSONS UNDER THE AGE**
9 **OF 21 YEARS;**

10 **(XIII) REQUIREMENTS FOR CANNABIS AND CANNABIS**
11 **PRODUCTS SOLD OR DISTRIBUTED BY A CANNABIS ESTABLISHMENT, INCLUDING**
12 **PROHIBITING MISLEADING LABELING AND REQUIRING CANNABIS PRODUCTS'**
13 **LABELS TO INCLUDE THE FOLLOWING:**

14 1. **THE LENGTH OF TIME IT TYPICALLY TAKES FOR A**
15 **CANNABIS PRODUCT TO TAKE EFFECT;**

16 2. **THE AMOUNT OF CANNABIS THE CANNABIS PRODUCT**
17 **IS CONSIDERED THE EQUIVALENT TO;**

18 3. **DISCLOSING INGREDIENTS AND POSSIBLE**
19 **ALLERGENS OF THE CANNABIS PRODUCT;**

20 4. **A NUTRITIONAL FACT PANEL ON THE CANNABIS**
21 **PRODUCT;**

22 5. **REQUIRING OPAQUE, CHILD-RESISTANT PACKAGING**
23 **ON THE CANNABIS PRODUCT TO BE DESIGNED OR CONSTRUCTED TO BE**
24 **SIGNIFICANTLY DIFFICULT FOR CHILDREN UNDER THE AGE OF 5 YEARS TO OPEN**
25 **AND NOT DIFFICULT FOR NORMAL ADULTS TO USE PROPERLY AS DESCRIBED IN 16**
26 **C.F.R. 1700.20 (1995); AND**

27 6. **REQUIRING THAT AN EDIBLE CANNABIS PRODUCT BE**
28 **CLEARLY IDENTIFIABLE, WHEN PRACTICABLE, WITH A STANDARD SYMBOL**
29 **INDICATING THAT THE PRODUCT CONTAINS CANNABIS;**

30 **(XIV) HEALTH AND SAFETY REGULATIONS AND STANDARDS**
31 **FOR THE MANUFACTURE OF CANNABIS PRODUCTS AND BOTH THE INDOOR AND**
32 **OUTDOOR CULTIVATION OF CANNABIS BY CANNABIS ESTABLISHMENTS;**

1 (XV) RESTRICTIONS ON ADVERTISING, MARKETING, AND
2 SIGNAGE INCLUDING A PROHIBITION ON MASS-MARKET CAMPAIGNS THAT HAVE A
3 HIGH LIKELIHOOD OF REACHING MINORS;

4 (XVI) REGULATIONS TO CREATE AT LEAST THREE TIERS OF
5 CULTIVATION FACILITIES, BASED ON THE SIZE OF THE FACILITY OR THE NUMBER OF
6 PLANTS CULTIVATED, THE SMALLEST OF WHICH SHALL BE CANNABIS
7 MICROBUSINESSES, SECURITY REGULATIONS AND LICENSING FEES TO VARY BASED
8 ON THE SIZE OF THE CULTIVATION FACILITY;

9 (XVII) RESTRICTIONS ON THE DISPLAY OF CANNABIS AND
10 CANNABIS PRODUCTS, INCLUDING THOSE THAT ENSURE THAT CANNABIS AND
11 CANNABIS PRODUCTS MAY NOT BE DISPLAYED IN A MANNER THAT IS VISIBLE TO THE
12 GENERAL PUBLIC FROM A PUBLIC RIGHT-OF-WAY;

13 (XVIII) RESTRICTIONS OR PROHIBITIONS ON ADDITIVES TO
14 CANNABIS AND CANNABIS-INFUSED PRODUCTS, INCLUDING THOSE THAT ARE
15 TOXIC, DESIGNED TO MAKE THE PRODUCT MORE ADDICTIVE, DESIGNED TO MAKE
16 THE PRODUCT MORE APPEALING TO CHILDREN, OR MISLEADING TO CONSUMERS
17 THAT DO NOT EXTEND TO COMMON BAKING AND COOKING ITEMS;

18 (XIX) RESTRICTIONS PREVENTING THE PRODUCTION AND
19 SALE OF CANNABIS PRODUCTS THAT ARE NOT REASONABLY DETECTABLE TO
20 CONSUMERS, INCLUDING PROHIBITING TASTELESS POWDERS;

21 (XX) PROHIBITIONS ON FEATURES THAT ARE DESIGNED TO
22 MAKE THE CANNABIS PRODUCT MORE APPEALING TO CHILDREN, INCLUDING
23 PROHIBITING THE USE OF IMAGES DESIGNED OR LIKELY TO APPEAL TO MINORS,
24 INCLUDING CARTOONS, TOYS, ANIMALS, OR CHILDREN AND OTHER LIKENESS TO
25 IMAGES, CHARACTERS, OR PHRASES THAT ARE POPULARLY USED TO ADVERTISE TO
26 CHILDREN;

27 (XXI) RESTRICTIONS ON THE USE OF PESTICIDES THAT ARE
28 INJURIOUS TO HUMAN HEALTH WHEN RESIDUE OF THE PESTICIDE IS CONSUMED
29 WHEN THE CANNABIS IS USED AS INTENDED, OR FOR WHICH THERE IS NOT
30 ADEQUATE SCIENTIFIC DATA TO MAKE A DETERMINATION;

31 (XXII) REGULATIONS GOVERNING VISITS TO CULTIVATION
32 FACILITIES AND PRODUCT MANUFACTURERS, INCLUDING A REQUIREMENT THAT A
33 CANNABIS ESTABLISHMENT LOG VISITORS;

34 (XXIII) A DEFINITION OF THE AMOUNT OF DELTA-9
35 TETRAHYDROCANNABINOL THAT CONSTITUTES A SINGLE SERVING IN A CANNABIS

1 **PRODUCT;**

2 **(XXIV) STANDARDS FOR THE SAFE MANUFACTURE OF**
3 **CANNABIS EXTRACTS AND CONCENTRATES;**

4 **(XXV) REQUIREMENTS THAT EDUCATIONAL MATERIALS BE**
5 **DISSEMINATED TO CONSUMERS WHO PURCHASE CANNABIS-INFUSED PRODUCTS;**

6 **(XXVI) TESTING REQUIREMENTS AND STANDARDS FOR THE**
7 **OPERATION OF TESTING LABORATORIES THAT SHALL BE IDENTICAL TO THOSE OF**
8 **TITLE 13, SUBTITLE 33 OF THE HEALTH – GENERAL ARTICLE, EXCEPT THAT THE**
9 **REQUIREMENTS AND STANDARDS MAY BE LESS RIGOROUS IF THE DIVISION FINDS**
10 **THAT IS WARRANTED DUE TO THE DIFFERENCES BETWEEN ADULT CONSUMERS AND**
11 **MEDICAL PATIENTS, BUT STILL ADEQUATE TO ENSURE QUALITY CONTROL;**

12 **(XXVII) CIVIL PENALTIES FOR THE FAILURE TO COMPLY WITH**
13 **REGULATIONS MADE IN ACCORDANCE WITH THIS SUBTITLE;**

14 **(XXVIII) PROCEDURES FOR COLLECTING TAXES LEVIED ON**
15 **CANNABIS CULTIVATION FACILITIES; AND**

16 **(XXIX) REQUIREMENTS FOR ON-SITE CONSUMPTION**
17 **ESTABLISHMENTS, INCLUDING FOR SECURITY, VENTILATION, ODOR CONTROL, AND**
18 **CONSUMPTION BY PATRONS, WHICH RULES MAY INCLUDE A PROHIBITION ON**
19 **SMOKING INDOORS.**

20 **(B) IN ORDER TO ENSURE THAT INDIVIDUAL PRIVACY IS PROTECTED, THE**
21 **DIVISION MAY NOT REQUIRE A CONSUMER TO PROVIDE A RETAIL CANNABIS STORE**
22 **WITH PERSONAL INFORMATION OTHER THAN GOVERNMENT-ISSUED**
23 **IDENTIFICATION TO DETERMINE THE CONSUMER’S AGE AND A RETAIL CANNABIS**
24 **STORE MAY NOT BE REQUIRED TO ACQUIRE AND RECORD PERSONAL INFORMATION**
25 **ABOUT CONSUMERS.**

26 **(C) (1) AFTER CONSULTATION WITH RESEARCHERS KNOWLEDGEABLE**
27 **ABOUT THE RISKS AND BENEFITS OF CANNABIS, THE DIVISION SHALL DEVELOP A**
28 **SCIENTIFICALLY ACCURATE SAFETY INFORMATION LABEL OR HANDOUT, TO BE**
29 **MADE AVAILABLE TO EACH CANNABIS CONSUMER.**

30 **(2) THE LABEL OR HANDOUT DESCRIBED IN PARAGRAPH (1) OF THIS**
31 **SUBSECTION SHALL INCLUDE ADVICE ABOUT THE POTENTIAL RISKS OF CANNABIS**
32 **AND CANNABIS PRODUCTS, INCLUDING:**

33 **(I) THE RISKS OF DRIVING UNDER THE INFLUENCE OF**

1 CANNABIS AND THE FACT THAT DOING SO REMAINS ILLEGAL;

2 (II) THE RISK OF CANNABIS USE DISORDER AND WHERE A
3 PERSON MAY SEEK ASSISTANCE FOR THE DISORDER;

4 (III) POTENTIAL EXACERBATION OF PSYCHOTIC DISORDERS;

5 (IV) ADVERSE EFFECTS UNIQUE TO YOUNGER ADULTS,
6 INCLUDING THOSE RELATED TO THE DEVELOPING MIND;

7 (V) POTENTIAL ADVERSE EVENTS AND OTHER RISKS;

8 (VI) RISKS OF USING CANNABIS DURING PREGNANCY OR BREAST
9 FEEDING; AND

10 (VII) THE NEED TO SAFEGUARD CANNABIS AND CANNABIS
11 PRODUCTS FROM CHILDREN AND PETS.

12 (D) THE DIVISION SHALL REVIEW AND UPDATE THE SAFETY INFORMATION
13 LABEL OR HANDOUT DESCRIBED IN SUBSECTION (C) OF THIS SECTION AT LEAST
14 ONCE EVERY 2 YEARS TO ENSURE SCIENTIFICALLY ACCURATE INFORMATION.

15 5-1212.

16 (A) (1) EACH APPLICATION OR RENEWAL APPLICATION FOR AN ANNUAL
17 REGISTRATION TO OPERATE A CANNABIS ESTABLISHMENT SHALL BE SUBMITTED TO
18 THE DIVISION.

19 (2) A RENEWAL APPLICATION MAY BE SUBMITTED UP TO 90 DAYS
20 PRIOR TO THE EXPIRATION OF THE CANNABIS ESTABLISHMENT'S REGISTRATION.

21 (B) THE DIVISION SHALL BEGIN ACCEPTING AND PROCESSING
22 APPLICATIONS TO OPERATE CANNABIS ESTABLISHMENTS ON OR BEFORE OCTOBER
23 1, 2020.

24 (C) ON RECEIVING AN APPLICATION OR RENEWAL APPLICATION FOR A
25 CANNABIS ESTABLISHMENT, THE DIVISION SHALL IMMEDIATELY FORWARD A COPY
26 OF THE APPLICATION AND HALF OF THE REGISTRATION APPLICATION FEE TO THE
27 LOCALITY IN WHICH THE APPLICANT DESIRES TO OPERATE THE CANNABIS
28 ESTABLISHMENT.

29 (D) WITHIN 120 DAYS AFTER RECEIVING AN APPLICATION OR RENEWAL
30 APPLICATION, THE DIVISION SHALL ISSUE AN ANNUAL REGISTRATION TO THE

1 APPLICANT, UNLESS THE DIVISION FINDS THE APPLICANT IS NOT IN COMPLIANCE
2 WITH REGULATIONS ENACTED IN ACCORDANCE WITH THIS SUBTITLE, OR THE
3 DIVISION IS NOTIFIED BY THE RELEVANT LOCALITY THAT THE APPLICANT IS NOT IN
4 COMPLIANCE WITH ORDINANCES AND REGULATIONS MADE IN ACCORDANCE WITH
5 THIS SUBTITLE IN EFFECT AT THE TIME OF THE APPLICATION.

6 (E) (1) THE DIVISION SHALL DETERMINE WHETHER AN APPLICANT IS
7 QUALIFIED WITHIN 60 DAYS AFTER RECEIVING AN APPLICATION.

8 (2) IF THE DIVISION DETERMINES THAT AN APPLICANT IS NOT
9 QUALIFIED, THE DIVISION SHALL NOTIFY THE APPLICANT IN WRITING OF THE
10 SPECIFIC REASON FOR THE DECISION, WHICH NOTICE SHALL BE CONSIDERED A
11 FINAL AGENCY DECISION.

12 (F) IF A LOCALITY HAS ENACTED A NUMERICAL LIMIT ON THE NUMBER OF
13 CANNABIS ESTABLISHMENTS AND A GREATER NUMBER OF QUALIFIED APPLICANTS
14 SEEK REGISTRATIONS, THE DIVISION SHALL SET UP A LOTTERY TO SELECT THE
15 CANNABIS MICROBUSINESSES AND OTHER CANNABIS ESTABLISHMENTS.

16 (G) (1) THE DIVISION SHALL ESTABLISH REASONABLE RULES
17 GOVERNING THE TRANSFER OF REGISTRATIONS, WHICH MAY INCLUDE TIME LIMITS
18 BEFORE A TRANSFER MAY BE INITIATED.

19 (2) THE DIVISION MAY ADD ADDITIONAL RESTRICTIONS ON THE
20 TRANSFERS OF CANNABIS MICROBUSINESSES.

21 (H) (1) A CANNABIS ESTABLISHMENT REGISTRATION SHALL SPECIFY THE
22 LOCATION WHERE THE CANNABIS ESTABLISHMENT WILL OPERATE, BUT CANNABIS
23 ESTABLISHMENTS MAY CHANGE LOCATIONS WITHIN THE SAME LOCALITY WITHOUT
24 SUBMITTING A NEW LICENSING APPLICATION AS LONG AS THE NEW LOCATION
25 COMPLIES WITH ALL RELEVANT LAWS AND ORDINANCES, UNLESS THE SPECIFIC
26 LOCATION WAS A FACTOR IN GRANTING THE INITIAL LICENSE APPLICATION DUE TO
27 REGULATIONS ISSUED IN ACCORDANCE WITH THIS SUBTITLE IN WHICH CASE THE
28 PERMISSION OF THE DIVISION SHALL BE REQUIRED.

29 (2) A SEPARATE REGISTRATION SHALL BE REQUIRED FOR EACH
30 LOCATION AT WHICH A CANNABIS ESTABLISHMENT OPERATES.

31 (I) CANNABIS ESTABLISHMENTS AND THE BOOKS AND RECORDS
32 MAINTAINED AND CREATED BY CANNABIS ESTABLISHMENTS ARE SUBJECT TO
33 INSPECTION BY THE DIVISION.

1 (A) A LOCALITY MAY ENACT ORDINANCES OR REGULATIONS THAT DO NOT
2 CONFLICT WITH THIS SUBTITLE, OR WITH REGULATIONS ENACTED IN ACCORDANCE
3 WITH THIS SUBTITLE, GOVERNING THE TIME, PLACE, MANNER, AND NUMBER OF
4 CANNABIS ESTABLISHMENT OPERATIONS.

5 (B) (1) A LOCALITY MAY ENACT AN ORDINANCE BANNING CANNABIS
6 RETAIL STORES OR ON-SITE CONSUMPTION ESTABLISHMENTS.

7 (2) A LOCALITY MAY NOT PROHIBIT TRANSPORTATION THROUGH THE
8 LOCALITY OR DELIVERIES WITHIN THE LOCALITY BY CANNABIS ESTABLISHMENTS
9 LOCATED IN OTHER JURISDICTIONS.

10 (C) A LOCALITY MAY ESTABLISH CIVIL PENALTIES FOR VIOLATION OF THE
11 ORDINANCES THE LOCALITY ENACTS UNDER THIS SECTION.

12 (D) A BAN OR NUMERICAL LIMIT ENACTED UNDER THIS SECTION SHALL NOT
13 INCLUDE OR IMPACT AN EXISTING BUSINESS LICENSED UNDER TITLE 13, SUBTITLE
14 33 OF THE HEALTH – GENERAL ARTICLE, REGARDLESS OF WHETHER THE BUSINESS
15 IS GRANTED DUAL LICENSES UNDER THIS SUBTITLE.

16 5-1214.

17 (A) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A PERSON
18 CONVICTED OF AN OFFENSE UNDER § 5-601, § 5-602(2), § 5-603, OR § 5-620 OF THIS
19 TITLE FOR AN OFFENSE THAT OCCURRED BEFORE OCTOBER 1, 2019, WHERE THE
20 OFFENSE INVOLVED AN AMOUNT OF CANNABIS, MARIJUANA, OR HASHISH THAT
21 DOES NOT EXCEED THE PERSONAL USE AMOUNT OF CANNABIS, MAY APPLY TO
22 EXPUNGE THE RECORD OF THE CONVICTION, AND THE EXPUNGEMENT SHALL BE
23 GRANTED.

24 (B) (1) A PERSON PREVIOUSLY CONVICTED OF AN OFFENSE INVOLVING
25 THE POSSESSION, CULTIVATION, PROCESSING, OR SALE OF MARIJUANA NOT LISTED
26 IN SUBSECTION (A) OF THIS SECTION WHO IS NOT INCARCERATED OR UNDER
27 SUPERVISION ON OCTOBER 1, 2019, MAY PRESENT AN APPLICATION FOR
28 EXPUNGEMENT TO THE COURT.

29 (2) THE COURT SHALL CONSIDER THE INDIVIDUAL CIRCUMSTANCES
30 OF A CASE DESCRIBED IN THIS SUBSECTION AND SHALL EXPUNGE THE APPLICANT'S
31 RECORD IF THE COURT FINDS THAT DOING SO WOULD BE IN THE INTERESTS OF
32 JUSTICE, IN LIGHT OF THE REDUCTION IN MANY PENALTIES ASSOCIATED WITH
33 MARIJUANA-RELATED CONDUCT AND PAST RACIAL DISPARITIES IN THE
34 ENFORCEMENT OF MARIJUANA LAWS.

1 **(3) IF THE COURT BELIEVES THAT IT WOULD BE IN THE INTERESTS OF**
2 **JUSTICE TO GRANT THE EXPUNGEMENT, BUT ONLY IF THE APPLICANT REMAINS IN**
3 **COMPLIANCE WITH THE LAW FOR AN ADDITIONAL PERIOD OF TIME, THE COURT MAY**
4 **HOLD THE PROCEEDING OPEN AND SET A SECOND HEARING DATE, AT WHICH TIME**
5 **THE COURT WILL GRANT OR DENY THE EXPUNGEMENT.**

6 **(4) THE AMOUNT OF TIME BETWEEN THE FIRST AND SECOND**
7 **HEARINGS DESCRIBED IN PARAGRAPH (3) OF THIS SUBSECTION IS AT THE COURT'S**
8 **DISCRETION, BUT THE COURT SHALL GRANT THE EXPUNGEMENT AT THE SECOND**
9 **HEARING IF THE INDIVIDUAL HAS NOT BEEN CONVICTED OF ANOTHER CRIME IN**
10 **THAT PERIOD.**

11 **(C) (1) (I) IN ORDER TO IMPLEMENT SUBSECTION (A) OF THIS**
12 **SECTION, NOT LATER THAN APRIL 1, 2021, THE COURTS IN EACH COUNTY AND**
13 **BALTIMORE CITY SHALL REVIEW THE RECORDS TO OCTOBER 1, 1972, NOTIFY ALL**
14 **INDIVIDUALS ELIGIBLE FOR EXPUNGEMENT UNDER THIS SECTION, AND EXPUNGE**
15 **THE RECORDS DESCRIBED IN SUBSECTION (A) OF THIS SECTION.**

16 **(II) IN CASES WHERE THE AMOUNT OF CANNABIS INVOLVED IS**
17 **UNCLEAR, OR ELIGIBILITY CANNOT BE DETERMINED FOR SOME OTHER REASON,**
18 **THE COURT SHALL NOTIFY THE INDIVIDUAL THAT THE INDIVIDUAL IS POTENTIALLY**
19 **ELIGIBLE AND THE INDIVIDUAL'S RIGHTS UNDER THIS SECTION.**

20 **(2) AN INDIVIDUAL WHO BELIEVES THE INDIVIDUAL IS ELIGIBLE FOR**
21 **EXPUNGEMENT UNDER THIS SECTION WHO HAS NOT RECEIVED A NOTICE TO THAT**
22 **EFFECT BY APRIL 1, 2021, MAY APPLY FOR EXPUNGEMENT, WHICH SHALL BE**
23 **GRANTED IF THE COURT FINDS THE INDIVIDUAL QUALIFIES UNDER THIS SECTION.**

24 **(3) SHOULD THE INDIVIDUAL'S APPLICATION BE GRANTED, NO FEES**
25 **OR COURT COSTS MAY BE ASSESSED.**

26 **(D) (1) A PERSON INCARCERATED OR UNDER SUPERVISION AT THE TIME**
27 **OF THE ENACTMENT OF THIS SECTION FOR AN OFFENSE INVOLVING THE**
28 **POSSESSION, CULTIVATION, PROCESSING, OR SALE OF MARIJUANA MAY PRESENT AN**
29 **APPLICATION FOR RESENTENCING TO THE COURT THAT SENTENCED THE PERSON**
30 **REGARDLESS OF WHETHER THE PERSON HAS PREVIOUSLY FILED A PETITION FOR**
31 **RESENTENCING.**

32 **(2) THE COURT SHALL CONSIDER THE INDIVIDUAL CIRCUMSTANCES**
33 **OF EACH CASE AND SHALL REDUCE THE APPLICANT'S SENTENCE IF THE COURT**
34 **FINDS THAT DOING SO WOULD BE IN THE INTERESTS OF JUSTICE, IN LIGHT OF THE**
35 **REDUCTION IN PENALTIES ASSOCIATED WITH MARIJUANA-RELATED CONDUCT AND**

1 PAST RACIAL DISPARITIES IN THE ENFORCEMENT OF MARIJUANA LAWS.

2 (3) THE SENTENCE OF THE APPLICANT MAY NOT BE INCREASED AT A
3 PROCEEDING DESCRIBED IN PARAGRAPH (2) OF THIS SUBSECTION.

4 (E) INDIGENT INDIVIDUALS PETITIONING FOR RESENTENCING IN
5 ACCORDANCE WITH SUBSECTION (D) OF THIS SECTION OR FOR EXPUNGEMENT
6 PROVIDED FOR IN SUBSECTION (B) OF THIS SECTION ARE ELIGIBLE FOR
7 REPRESENTATION BY THE PUBLIC DEFENDER.

8 (F) (1) IN A PROCEEDING BROUGHT UNDER THIS SECTION, THE STATE'S
9 ATTORNEY SHALL RECEIVE NOTICE AND MAY BE HEARD.

10 (2) (I) IN A FACTUAL DISPUTE WITHIN A PROCEEDING UNDER THIS
11 SECTION, THE PROSECUTION SHALL BEAR THE BURDEN OF PROOF BY A
12 PREPONDERANCE OF THE EVIDENCE.

13 (II) IF THE PROSECUTOR DOES NOT REQUEST TO BE HEARD IN
14 A PROCEEDING UNDER THIS SECTION, THE COURT SHALL MAKE THE
15 DETERMINATION BASED ON A PREPONDERANCE OF THE EVIDENCE.

16 (G) FUNDS SHALL BE ALLOCATED BY THE COMPTROLLER FROM THE
17 CANNABIS REGULATION FUND TO OFFSET THE COST TO THE PUBLIC DEFENDER'S
18 OFFICE, STATE'S ATTORNEY'S OFFICE, AND COURTS, AS PART OF THE COST OF
19 IMPLEMENTING THIS SECTION.

20 (H) IF A NONCITIZEN REQUESTS IN WRITING TO THE CLERK'S OFFICE
21 RECORDS RELATED TO AN OFFENSE LISTED IN SUBSECTION (A) OF THIS SECTION
22 FOR IMMIGRATION PURPOSES, THOSE RECORDS SHALL BE PROVIDED IF AVAILABLE,
23 OR A STATEMENT SHALL BE PROVIDED THAT NO RECORDS CAN BE FOUND, WITHIN
24 30 DAYS AFTER THE REQUEST.

25 5-1215.

26 (A) THIS SUBTITLE DOES NOT REQUIRE AN EMPLOYER TO PERMIT OR
27 ACCOMMODATE CONDUCT OTHERWISE ALLOWED BY THIS SUBTITLE IN A
28 WORKPLACE OR ON THE EMPLOYER'S PROPERTY.

29 (B) THIS SUBTITLE DOES NOT PROHIBIT AN EMPLOYER FROM DISCIPLINING
30 AN EMPLOYEE FOR VIOLATION OF A WORKPLACE DRUG POLICY OR FOR WORKING
31 WHILE UNDER THE INFLUENCE OF CANNABIS.

32 (C) THIS SUBTITLE DOES NOT PROHIBIT AN EMPLOYER FROM REFUSING TO

1 HIRE, DISCHARGE, DISCIPLINE, OR OTHERWISE TAKE AN ADVERSE EMPLOYMENT
2 ACTION AGAINST A PERSON WITH RESPECT TO HIRING, TENURE, TERMS,
3 CONDITIONS, OR PRIVILEGES OF EMPLOYMENT BECAUSE OF THAT PERSON'S
4 VIOLATION OF A WORKPLACE DRUG POLICY OR BECAUSE THAT PERSON WAS
5 WORKING WHILE UNDER THE INFLUENCE OF CANNABIS.

6 5-1216.

7 NOTHING IN THIS SUBTITLE IS INTENDED TO ALLOW DRIVING UNDER THE
8 INFLUENCE OF MARIJUANA OR DRIVING WHILE IMPAIRED BY MARIJUANA OR TO
9 SUPERSEDE LAWS RELATED TO DRIVING UNDER THE INFLUENCE OF MARIJUANA OR
10 DRIVING WHILE IMPAIRED BY MARIJUANA.

11 5-1217.

12 THIS SUBTITLE DOES NOT EXEMPT A PERSON FROM ARREST, CIVIL OR
13 CRIMINAL PENALTY, SEIZURE OR FORFEITURE OF ASSETS, DISCIPLINE BY A STATE
14 OR LOCAL LICENSING BOARD, OR STATE PROSECUTION FOR POSSESSING CANNABIS,
15 INCLUDING CANNABIS PRODUCTS, IN A LOCAL DETENTION FACILITY, COUNTY JAIL,
16 STATE PRISON, REFORMATORY, OR OTHER CORRECTIONAL FACILITY, INCLUDING A
17 FACILITY FOR THE DETENTION OF JUVENILE OFFENDERS.

18 5-1218.

19 NOTHING IN THIS SUBTITLE IS INTENDED TO ALLOW THE TRANSFER OF
20 CANNABIS, WITH OR WITHOUT REMUNERATION, TO A PERSON UNDER THE AGE OF 21
21 YEARS OR TO ALLOW A PERSON UNDER THE AGE OF 21 YEARS TO PURCHASE,
22 POSSESS, USE, TRANSPORT, GROW, OR CONSUME CANNABIS.

23 5-1219.

24 UNLESS OTHERWISE EXPLICITLY STATED, NOTHING IN THIS SUBTITLE SHALL
25 BE CONSTRUED TO LIMIT A PRIVILEGE OR RIGHT OF A MEDICAL CANNABIS PATIENT,
26 CAREGIVER, OR LICENSED MEDICAL CANNABIS BUSINESS UNDER THE PROVISIONS
27 OF TITLE 13, SUBTITLE 33 OF THE HEALTH - GENERAL ARTICLE.

28 5-1220.

29 (A) EXCEPT AS PROVIDED IN THIS SECTION, THE PROVISIONS OF THIS
30 SUBTITLE DO NOT REQUIRE A PERSON, CORPORATION, OR OTHER ENTITY THAT
31 OCCUPIES, OWNS, OR CONTROLS A PROPERTY TO ALLOW THE CONSUMPTION,
32 CULTIVATION, DISPLAY, SALE, OR TRANSFER OF CANNABIS ON OR IN THAT
33 PROPERTY.

1 **(B) IN THE CASE OF THE RENTAL OF A RESIDENTIAL DWELLING, A**
2 **LANDLORD MAY NOT PROHIBIT THE POSSESSION OF CANNABIS OR THE**
3 **CONSUMPTION OF CANNABIS BY MEANS OTHER THAN SMOKING UNLESS:**

4 **(1) THE TENANT IS NOT LEASING THE ENTIRE RESIDENTIAL**
5 **DWELLING;**

6 **(2) THE RESIDENCE IS INCIDENTAL TO DETENTION OR THE**
7 **PROVISION OF MEDICAL, GERIATRIC, EDUCATIONAL, COUNSELING, RELIGIOUS, OR**
8 **SIMILAR SERVICE;**

9 **(3) THE RESIDENCE IS A TRANSITIONAL HOUSING FACILITY; OR**

10 **(4) FAILING TO PROHIBIT CANNABIS POSSESSION OR CONSUMPTION**
11 **WOULD VIOLATE FEDERAL LAW OR REGULATIONS OR CAUSE THE LANDLORD TO**
12 **LOSE A MONETARY OR LICENSING-RELATED BENEFIT UNDER FEDERAL LAW OR**
13 **REGULATIONS.**

14 **5-1221.**

15 **(A) IT IS THE PUBLIC POLICY OF THIS STATE THAT CONTRACTS RELATED TO**
16 **THE OPERATION OF A CANNABIS ESTABLISHMENT REGISTERED IN ACCORDANCE**
17 **WITH THIS SUBTITLE ARE ENFORCEABLE.**

18 **(B) IT IS THE PUBLIC POLICY OF THIS STATE THAT NO CONTRACT ENTERED**
19 **INTO BY A REGISTERED CANNABIS ESTABLISHMENT OR ITS EMPLOYEES OR AGENTS**
20 **AS AUTHORIZED IN ACCORDANCE WITH A VALID REGISTRATION, OR BY THOSE WHO**
21 **ALLOW PROPERTY TO BE USED BY AN ESTABLISHMENT, ITS EMPLOYEES, OR ITS**
22 **AGENTS AS AUTHORIZED IN ACCORDANCE WITH A VALID REGISTRATION, SHALL BE**
23 **UNENFORCEABLE ON THE BASIS THAT CULTIVATING, OBTAINING, MANUFACTURING,**
24 **DISTRIBUTING, DISPENSING, TRANSPORTING, SELLING, POSSESSING, OR USING**
25 **CANNABIS IS PROHIBITED BY FEDERAL LAW.**

26 **5-1222.**

27 **(A) (1) NO LAW ENFORCEMENT OFFICER EMPLOYED BY AN AGENCY THAT**
28 **RECEIVES STATE OR LOCAL GOVERNMENT FUNDS SHALL EXPEND STATE OR LOCAL**
29 **RESOURCES, INCLUDING THE OFFICER'S TIME, TO EFFECT AN ARREST OR A SEIZURE**
30 **OF CANNABIS, OR CONDUCT ANY INVESTIGATION, ON THE SOLE BASIS OF ACTIVITY**
31 **THE OFFICER BELIEVES TO CONSTITUTE A VIOLATION OF FEDERAL LAW IF THE**
32 **OFFICER HAS REASON TO BELIEVE THAT THE ACTIVITY IS IN COMPLIANCE WITH**
33 **THIS SUBTITLE.**

1 **(2) THE OFFICER MAY NOT EXPEND STATE OR LOCAL RESOURCES,**
2 **INCLUDING THE OFFICER'S TIME, TO PROVIDE INFORMATION OR LOGISTICAL**
3 **SUPPORT RELATED TO THE ACTIVITY TO A FEDERAL LAW ENFORCEMENT**
4 **AUTHORITY OR PROSECUTING ENTITY.**

5 **(B) AN AGENCY OR A POLITICAL SUBDIVISION OF THE STATE MAY NOT RELY**
6 **ON A VIOLATION OF FEDERAL DRUG LAW AS THE SOLE BASIS FOR TAKING AN**
7 **ADVERSE ACTION AGAINST A PERSON PROVIDING PROFESSIONAL SERVICES TO A**
8 **CANNABIS ESTABLISHMENT IF THE PERSON HAS NOT VIOLATED STATE LAWS.**

9 **5-1223.**

10 **(A) (1) THE CANNABIS REGULATION FUND IS ESTABLISHED CONSISTING**
11 **OF FEES COLLECTED AND CIVIL PENALTIES IMPOSED UNDER THIS SUBTITLE.**

12 **(2) THE DIVISION SHALL ADMINISTER THE FUND.**

13 **(B) MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED.**

14 **5-1224.**

15 **(A) THE COMPTROLLER SHALL RETAIN SUFFICIENT MONEY TO DEFRAY**
16 **THE ENTIRE COST OF ADMINISTRATION OF THIS TITLE.**

17 **(B) REVENUES GENERATED IN EXCESS OF THAT AMOUNT SHALL BE**
18 **DISTRIBUTED AS FOLLOWS:**

19 **(1) 10% SHALL BE DISTRIBUTED TO THE MARYLAND DEPARTMENT**
20 **OF HEALTH FOR USE IN EVIDENCE-BASED, VOLUNTARY PROGRAMS FOR THE**
21 **PREVENTION OR TREATMENT OF SUBSTANCE ABUSE;**

22 **(2) 10% SHALL BE ALLOCATED TO MAKING STATE ROADS SAFER BY**
23 **COMBATTING DRIVING UNDER THE INFLUENCE THROUGH SCIENTIFICALLY AND**
24 **MEDICALLY ACCURATE PUBLIC EDUCATION CAMPAIGNS AND THE RESEARCH,**
25 **DEVELOPMENT, AND TESTING OF TECHNOLOGY, PROVIDED THAT NONE OF THESE**
26 **FUNDS SHALL BE USED FOR A PROGRAM OR TEST THAT PURPORTS TO IMPOSE A PER**
27 **SE STANDARD FOR DRIVING UNDER THE INFLUENCE OF CANNABIS;**

28 **(3) 20% SHALL BE ALLOCATED TO SUPPORTING COMMUNITIES AND**
29 **INDIVIDUALS HARMED BY CANNABIS PROHIBITION AS FOLLOWS:**

30 **(I) ONE-HALF TO BE DIVIDED AMONG RE-ENTRY PROGRAMS**

1 RUN BY A COUNTY OR BALTIMORE CITY AND THE STATEWIDE WORKFORCE
2 DEVELOPMENT PROGRAMS DESCRIBED IN THE GOVERNOR'S PLAN ON WORKFORCE
3 DEVELOPMENT DEFINED IN § 11-503 OF THE LABOR AND EMPLOYMENT ARTICLE;
4 AND

5 (II) ONE-HALF TO THE MARYLAND AFFORDABLE HOUSING
6 TRUST; AND

7 (4) 60% SHALL BE DISTRIBUTED TO THE EDUCATION TRUST FUND.

8 (C) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THE AGENCIES
9 DESCRIBED IN THIS SECTION WILL ENDEAVOR TO USE THE FUNDS TO HELP
10 INDIVIDUALS FROM COMMUNITIES THAT HAVE HAD ABOVE AVERAGE MARIJUANA
11 ARREST RATES.

12 Article – Tax – General

13 TITLE 12.5. CANNABIS TAX.

14 12.5-101.

15 (A) AN EXCISE TAX IS IMPOSED ON THE SALE OR TRANSFER OF CANNABIS
16 FROM A CANNABIS CULTIVATION FACILITY TO A RETAIL CANNABIS STORE, AN
17 ON-SITE CONSUMPTION ESTABLISHMENT, OR A CANNABIS PRODUCT
18 MANUFACTURING FACILITY AT THE RATE OF:

19 (1) \$50 PER OUNCE ON ALL CANNABIS FLOWERS;

20 (2) \$15 PER OUNCE ON ALL PARTS OF CANNABIS OTHER THAN
21 CANNABIS FLOWERS AND IMMATURE CANNABIS PLANTS; AND

22 (3) \$25 PER IMMATURE CANNABIS PLANT.

23 (B) THE RATES OF TAX IMPOSED BY THIS SECTION APPLY
24 PROPORTIONATELY TO QUANTITIES OF LESS THAN 1 OUNCE.

25 (C) ALL RETAIL SALES OF CANNABIS ARE ALSO SUBJECT TO A 6% SALES AND
26 USE TAX IN ACCORDANCE WITH TITLE 11 OF THIS ARTICLE.

27 (D) THIS PROVISION IS NOT APPLICABLE TO CANNABIS SOLD UNDER TITLE
28 13, SUBTITLE 33 OF THE HEALTH – GENERAL ARTICLE.

29 12.5-102.

1 NOTWITHSTANDING ANY FEDERAL TAX LAW TO THE CONTRARY, IN
2 COMPUTING NET INCOME FOR BUSINESSES EXEMPTED FROM CRIMINAL PENALTIES
3 UNDER STATE LAW, THERE SHALL BE ALLOWED AS A DEDUCTION FROM STATE
4 TAXES ALL THE ORDINARY AND NECESSARY EXPENSES PAID OR INCURRED DURING
5 THE TAXABLE YEAR IN CARRYING ON A TRADE OR BUSINESS AS A CANNABIS
6 ESTABLISHMENT AS DEFINED BY § 5-1201 OF THE CRIMINAL LAW ARTICLE,
7 INCLUDING REASONABLE ALLOWANCE FOR SALARIES OR OTHER COMPENSATION
8 FOR PERSONAL SERVICES ACTUALLY RENDERED.

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
10 October 1, 2019.