

Department of Legislative Services
 Maryland General Assembly
 2019 Session

FISCAL AND POLICY NOTE
 First Reader

Senate Bill 749 (Senator Lam, *et al.*)
 Judicial Proceedings

Medical Cannabis - Pesticide Use - Labeling and Study

This bill requires the Maryland Department of Agriculture (MDA) to study the health impacts of smoking or being in close proximity to smoke from medical cannabis that was grown using pesticides. MDA must report the results of the study to the Governor and the General Assembly by October 1, 2020. A licensed medical cannabis dispensary or a registered dispensary agent must ensure that all medical cannabis grown using a pesticide and medical cannabis products that contain medical cannabis grown using a pesticide have a label affixed to the product at the time of sale stating that the medical cannabis was grown using pesticides.

Fiscal Summary

State Effect: General fund expenditures increase by *at least* \$300,000 in FY 2020 and \$100,000 in FY 2021 to conduct a study within the timeframe allotted, as discussed below. Revenues are not affected.

(in dollars)	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	300,000	100,000	0	0	0
Net Effect	(\$300,000)	(\$100,000)	\$0	\$0	\$0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law/Background: Chapter 598 of 2018 required MDA, in consultation with the Natalie M. LaPrade Medical Cannabis Commission, to submit emergency regulations to allow the registration and use of crop protection agents in the cultivation of medical cannabis as part of an integrated pest management plan. Prior to this legislation, no pesticides were permitted for use on medical cannabis in the State. MDA issued the required emergency regulations, effective July 6, 2018, that permit the use of specified pesticides, or crop protection agents, in the cultivation of medical cannabis. The final regulation became effective October 8, 2018.

The list of pesticides allowed in the cultivation of medical cannabis is available on MDA's [website](#). The regulation generally prohibits a person from using any pesticide in the cultivation of cannabis, as defined as any part of the plant *Cannabis sativa*, subject to specified exceptions. The regulation retains the former pesticide use exception for sanitation and disinfection and further allows the use of a pesticide that is labeled for use in a greenhouse environment, if the pesticide:

- is formulated with inert and active ingredients listed in federal regulations regarding minimum risk pesticides;
- is exempt from specified federal food residue tolerance requirements;
- meets specified federal criteria for organic food production; or
- is allowed by the federal Environmental Protection Agency by pesticide label language that is broad enough to include use on medical cannabis, as determined by MDA.

The regulation allows a spray adjuvant labeled for use on food crops to be used with an insecticide or fungicide if the label otherwise allows such use. The regulation also requires pesticides be registered in accordance with State law and applied in a manner consistent with State and federal application requirements.

The regulation requires MDA to annually publish a list of pesticides approved for use in the cultivation of medical cannabis, and it authorizes the commission to remove any pesticide from the list if there is reasonable documented evidence that the pesticide has the potential to cause harm to patients using medical cannabis. MDA may also issue a stop-sale order to any registrant of a pesticide that the Secretary of Agriculture finds is in violation of specified State law or that is found by federal or State authorities to cause unreasonable adverse effects to humans, animals, or the environment.

State Expenditures: MDA general fund expenditures increase by *at least* \$300,000 in fiscal 2020 and \$100,000 in fiscal 2021, which accounts for the bill's

October 1, 2019 effective date and assumes a study is able to be completed to meet the report deadline of October 1, 2020. This estimate reflects the minimum cost to hire a contract research company to study the health impacts of smoking medical cannabis that was grown using pesticides or being in close proximity to smoke from medical cannabis that was grown using pesticides. The information and assumptions used in calculating the estimate are stated below:

- MDA does not have qualified staff capable of planning, conducting, or delivering the information required by the bill.
- The Maryland Department of Health advises MDA that it is also unable to conduct the required study.
- The health impacts of firsthand or secondhand exposure to smoke from medical cannabis grown with pesticides have not been widely studied, and MDA advises that no other state has conducted this type of study.
- A separate study must be conducted for primary and secondary smoking impacts, and a single study will only address 10 pesticides and their metabolites.
- Each such study will cost at least \$400,000.
- Drawing meaningful conclusions on the health impacts of primary and secondary medical cannabis smoke from smoking marijuana grown with pesticides likely requires the completion of multiple longitudinal studies over several years, although the bill does not allow for this.

Furthermore, MDA notes that, even with sufficient funding, it is unlikely that there are any contractual research organizations willing to study this topic since marijuana remains illegal at the federal level.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Department of Agriculture; Maryland Department of Health; Department of Legislative Services

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sb/jc

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