Luke Clippinger Legislative District 46 Baltimore City

Chair Judiciary Committee

Rules and Executive Nominations Committee



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Written Testimony of Delegate Luke H. Clippinger

House Bill 1 - Cannabis Referendum | House Bill 837 - Cannabis Reform

Senate Finance Committee

March 23, 2022 at 1:00 p.m. | Position: SUPPORT

Chair Kelley, Vice Chair Feldman, and members of the Senate Finance Committee: it is my honor and pleasure to testify before your committee in support of House Bill 1 – Constitutional Amendment - Cannabis - Adult Use and Possession and House Bill 837 – Cannabis Reform, legislation contingent on the passage of HB 1.

Last July, House Speaker Adrienne Jones announced her support for a referendum to legalize cannabis on the 2022 General Election ballot. In tandem, the Speaker also established the House Cannabis Referendum Workgroup, to which I served as the Workgroup's Chair, with the intention that lawmakers would consider the most effective and equitable path to implement a legalized cannabis program in the state, should Marylanders vote in favor of the ballot question this November.

Over the course of several workgroup meetings throughout last year and after considerable work with my fellow workgroup members, advocates, and stakeholders, the House produced comprehensive legislation to address the four identified pillars of a successful legalization program: public health determinants, criminal justice impacts, business implementation and regulation considerations, and effective taxation practices on the sale of cannabis. Our workgroup welcomed experts from various backgrounds and issue areas. We received briefings on each topic, reviewed data, compared successes and failures of legalization efforts in other states, and asked questions. Collectively, we received a robust education on cannabis policy and gathered the information required to make informed decisions as we move forward. The result of our work throughout the workgroup process and subsequent House Committee process is reflected in the overview of HB 1 and HB 837 outlined below.

House bills 1 and 837 present a logical first step in Maryland's legalization effort. Marylanders deserve to have their voices heard at the ballot box on the question of legalization. Once Marylanders vote yes, the legislature will be in the best position possible – as HB 837 is implemented - to continue our work and augment this policy to create the best, most equitable path to legal recreational cannabis. Too many people have already suffered the consequences of a misguided war on drugs. House bills 1 and 837 will ensure that Maryland is placed on a rapid but responsible path to legalize recreational cannabis and I urge your favorable report.

Cannabis Proposals Summary

<u>The Ballot Question – HB 1</u>: If approved by the voters, on or after July 1, 2023, individuals who are at least 21 may use and possess cannabis. The General Assembly is required to provide for all laws regarding cannabis.

Contingent Legislation – HB 837:

Criminal

- 1. Effective on January 1, 2023 through June 30, 2023
 - a. Simple Possession
 - i. Possession of 1.5 ounce or less, rather 10 grams, is a civil offense punishable by a fine not exceeding \$100.
 - ii. Subsequent civil offense provisions on the books are stricken.
 - iii. Abrogates in lieu of the personal amount use on July 1, 2023.
- 2. Effective on January 1, 2023 (no abrogation)
 - a. *Simple Possession:* Possession of more than 1.5 ounce but not more than 2.5 ounces is a civil offense punishable by a fine not exceeding \$250. Equivalency standards are established.
 - b. Possession with Intent to Distribute (PWID)
 - i. PWID and growing or manufacturing cannabis or a cannabis product are punishable as a misdemeanor and subject to imprisonment not exceeding 3 years or a fine not exceeding \$5,000 or both. PWID may be charged by citation.
 - ii. Possession of up to 2.5 ounces without other evidence of an intent to distribute may not be charged as such.
 - c. Paraphernalia: Marijuana paraphernalia is legal.
 - d. Expungement
 - i. Simple Possession:
 - 1. A person charge with only simple possession may have that charge automatically expunged.
 - 2. A person charged with simple possession and other charges from a single event or occurrence may file for expungement immediately. The *Unit Rule* does not apply.
 - ii. Possession with Intent to Distribute:
 - 1. A person may request expungement of a conviction of possession with intent to distribute on or after 3 years from when the sentence is satisfied.
 - iii. House Appropriations will find money in FY 23 to support expungements.
 - e. Resentencing: Require an individual convicted of only simple possession and held in a State prison or local jail to be resentenced such that the individual's incarceration ends.

Cannabis Proposals Summary

- 3. Effective July 1, 2023 (no abrogation)
 - a. Personal Use Amount: Possession of up to 1.5 ounces is legal.
 - b. Civil Personal Use Amount: Possession of up to 2.5 ounces is subject to a civil citation.
 - c. *Public Consumption:* Cannabis may not be consumed in a public place. A person who violates this is subject to a \$50 fine for the first infraction and \$150 for subsequent infractions.
 - d. Sharing: A person may share cannabis if all persons are 21 without renumeration.
 - e. *Cannabis Cultivation:* Up to 2 cannabis plants may be grown in a single household, regardless of the number of adults living in that household. The plants must be in a secure location.

Health

- 1. Effective June 1, 2022
 - a. Baseline Study: On or before January 1, 2023, various entities must conduct, participate in, and contract for a baseline study regarding various cannabis—related statistics, including patterns of use, incidents of impaired driving, hospitalizations, calls to poison control, and use disorder and problem use.
 - b. Cannabis Studies: The Medical Cannabis Commission will study:
 - i. home grow for patients to cultivate cannabis for personal use;
 - ii. the implementation of laws relating to on-site consumption areas; and
 - iii. how to make marijuana products that do not appeal to minors.
- 2. Effective January 1, 2023
 - a. Clean Indoor Air Act: Smoking cannabis is subject to the Clean Indoor Air Act.
 - b. Cannabis Public Health Advisory Council: Creates a Cannabis Public Health Advisory Council to study and make annual recommendations regarding various cannabis—related issues, including youth impacts, addiction and misuse, advertising, labeling, and quality control.
 - c. Cannabis Public Health Fund: Creates a Cannabis Public Health Fund to address the health effects associated with the legalization of cannabis. This fund will also support the Cannabis Public Health Advisory Council.
 - i. House Appropriations set aside money in FY 23 to capitalize the fund.

Regulation

- 1. Effective June 1, 2022
 - a. Disparity Study
 - i. A disparity study will be conducted by the certification agency (MDOT) in consultation with the General Assembly, Attorney General, and GOSBA.
 - ii. Must be finalized by November 1, 2022, so that the General Assembly can review the findings and adopt appropriate statutory licensing structure.
 - iii. House Appropriations will set aside money in FY 23 to pay for the study.

Cannabis Proposals Summary

2. Effective January 1, 2023

- a. Small, Minority-Owned, and Women-Owned Cannabis Business Assistance Fund
 - i. The fund will assist small, minority—owned, and women—owned businesses enter the cannabis industry. An individual convicted of a marijuana crime may receive grants.
 - ii. Grants and loans will:
 - I. support both operations and capital;
 - 2. be targeted at those disproportionately impacted by marijuana laws; and
 - 3. not be given to persons with a net worth exceeding \$1.7 million.
 - *iii.* Grants and loans shall also be used to support educational programs at the State's Historically Black Colleges and Universities, as well as business incubators.
 - *iv.* Comprehensive outreach must be conducted, including at historically black colleges and universities and trade associations representing minority—owned businesses.
 - v. House Appropriations will set aside money in FY 23 to capitalize the fund.