



February 14, 2025

Honorable Chair C.T. Wilson
House Economic Matters Committee
Lowe House Office Building, Room 231
6 Bladen St., Annapolis, MD 21401

Dear Chair Wilson, Vice Chair Crosby, and Members of the House Economic Matters Committee:

Testimony in Support of House Bill 132

Chair Wilson, Vice Chair Crosby, and distinguished members of the House Economic Matters Committee:

The Office of Social Equity respectfully submits this testimony in *support* of House Bill 132 – *Cannabis - On-Site Consumption Establishments and Cannabis Events*.

The Office of Social Equity was established in 2023 through the Cannabis Reform Act following a vote by Marylanders to legalize cannabis for adult use. The Office is charged with providing resources and support for historically disadvantaged individuals and businesses seeking to enter the adult-use cannabis market. This bill creates another avenue for advancing those goals by reserving for social equity licensees the first opportunity to apply for on-site consumption and event licenses.

House Bill 132 supports economic growth, public health, and equity in several ways. By formalizing cannabis event registration and on-site consumption establishments, the bill provides a clear and regulated pathway for legacy event planners to enter the licensed market.

Restricting on-site consumption establishments to edible cannabis products aligns with public health objectives by reducing concerns related to secondhand smoke or vapor. However, it falls short in support of the needs of Marylanders who require a safe and most importantly, legal place to smoke cannabis. Smoking cannabis flower is the most common consumption method for Maryland adults and our office is committed to addressing this policy gap in the near future.

This bill also respects the authority of local jurisdictions to opt-in to on-site while adopting zoning requirements and set hours of operation, ensuring communities can manage these establishments in ways that align with their values and priorities. Balancing these factors will help foster public confidence in the regulated cannabis market and encourage responsible consumption practices and reduce the stigma often associated with the plant.



By reserving on-site consumption licenses for social equity licensees, the state continues to prioritize addressing historical injustices and creating opportunities for individuals and communities disproportionately impacted by cannabis prohibition. More specifically, this bill would help social equity licensees gain market share in edibles, including cannabis beverages. According to a report by Grand View Research, the global market for cannabis beverages is projected to grow at a compound annual growth rate of 17.8% from 2021 to 2028, fueled by growing consumer curiosity and acceptance of cannabis-infused products. Our office looks forward to supporting social equity licensees as they work with the Cannabis Public Health Advisory Council to ensure that consumers are provided with consumption education that is clear, consistent, and relevant to their lifestyles.

Although there are currently 12 states with varying on-site consumption models, Maryland plans to lead the way. This bill provides a solid foundation and I encourage the Committee to continue working closely with stakeholders to refine these provisions as the industry evolves. We look forward to working with the Maryland Cannabis Administration, legislators, and other stakeholders to develop an on-site consumption model that sets the standard for the rest of the country. Specifically, consideration should be given to expanding accessibility for small businesses and streamlining application processes to ensure participation from legacy event planners.

This bill is necessary to continue to strengthen the bold vision of economic opportunity and equity established by the Cannabis Reform Act. We thank you for your time and consideration of this bill. I hope this information is useful. If you would like to discuss this further, please contact me at (443) 610-1666 or audrey.johnson1@maryland.gov or Courtney Davis, Deputy Director at (443) 610-1730 or courtney.davis@maryland.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Audrey Johnson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Audrey Johnson
Executive Director, Office of Social Equity