



MARYLAND HEMP
COALITION

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Senate Finance Committee/ House Economic Matters Committee

SUBJECT: Strong Opposition to SB0214/HB0012

Dear Honorable Chair and Members of the Finance Committee,

I am writing on behalf of the Maryland Hemp Coalition (MHC) and our members to express strong opposition to HB 0012/SB 0214, a bill that unfairly targets lawful hemp products, restricts advertising, and consolidates the cannabis market into the hands of a few large players. This legislation implicates federally legal hemp products, disregards the contributions of existing businesses and the agricultural community, and risks further entrenching monopolistic practices in Maryland's cannabis industry.

The 2018 Farm Bill made hemp-derived products, including cannabinoids such as delta-8 and delta-10 THC, federally legal as long as they contain less than 0.3% delta-9 THC by dry weight. HB 0012/SB 0214 undermines this federal framework by introducing state-level restrictions that target these lawful products. These measures unfairly penalize businesses operating in compliance with federal law and create unnecessary confusion in the marketplace.

Ongoing Litigation in Maryland:

The legal status of hemp-derived products in Maryland is currently being litigated, and HB 0012/SB 0214 prejudices the outcome of these cases. Moving forward with this legislation while these issues remain unresolved is premature and risks opening the state to costly litigation. Rather than imposing restrictive measures, Maryland should await the outcome of these cases to ensure any policy changes are aligned with legal precedents.

Advertising Restrictions and Market Consolidation:

The advertising restrictions in HB 0012/SB 0214 are overly broad and extend beyond Maryland's borders, penalizing businesses for lawful interstate commerce and appears to be a direct violation of the Dormant Commerce Clause. This overreach conflicts with federal protections on interstate trade and places Maryland businesses at a competitive disadvantage. Furthermore, these restrictions, combined with the bill's burdensome compliance requirements, favor large corporations while shutting out small businesses and the agricultural community. This approach consolidates market power into the hands of a few large players, reinforcing monopolistic practices and limiting opportunities for smaller, community-based businesses.

Exclusion of Agricultural Community and Existing Businesses:

Maryland has consistently excluded existing hemp businesses and the agricultural community from meaningful participation in the legal cannabinoid market. HB 0012/SB 0214 continues this trend by failing to create a pathway for these experienced operators to enter the regulated industry. Instead of targeting lawful hemp products, Maryland should focus on integrating these stakeholders into the regulated market, fostering equity, competition, and economic growth.

A Missed Opportunity for Inclusive Regulation:

Rather than targeting lawful hemp products and stifling competition, Maryland should adopt a balanced regulatory framework that supports small businesses, the agricultural community, and innovation while maintaining public safety. An inclusive approach would strengthen the market, expand consumer choice, and promote economic growth across the state.

HB 0012/SB 0214 represents an overreach that undermines federally legal hemp products, penalizes businesses for lawful activities, and exacerbates monopolistic tendencies in Maryland's cannabis industry. I urge you to oppose this bill and advocate for policies that align with federal law, support small businesses, and promote an open and equitable marketplace.

Thank you for your time and attention to this matter. I am available to discuss these concerns further if needed.

Sincerely,

Matthew "Levi" W. Sellers

President

Maryland Hemp Coalition