



**TESTIMONY OF THE MARYLAND  
COALITION FOR CANNABIS EQUITY  
(MCCE)**

**House Economic Matters Committee**

**HB 622 - Cannabis - Licensees -  
Micro Dispensary Employees and Cannabis  
Agent Training Programs**

## **Background**

The Maryland Coalition for Cannabis Equity (MCCE) is a coalition of Maryland Social Equity Licensees formed to ensure that Social Equity Licensees have a meaningful, organized voice in Maryland's cannabis program. MCCE currently includes 15 founding members and maintains active communication with more than 60 Social Equity Licensees statewide. The Coalition came together so that Social Equity Licensees have an ongoing forum to connect, be heard, and work together-both with one another and with policymakers-so that equity businesses are not only licensed, but supported in practice through clear rules, consistent enforcement, and real opportunities to participate at the table.

## **Overview**

MCCE supports HB 622's intent to increase the micro-dispensary cap to 20. Micro-dispensaries are uniquely constrained because they operate under two structural restrictions at the same time: (1) they must operate as delivery-only without a physical storefront, and (2) they are subject to a hard headcount cap. By comparison, other micro license types generally operate under one primary limiting principle (such as production volume constraints), rather than a delivery-only model plus a separate staffing cap.

Ideally, micro-dispensaries should only have the storefront restriction, because operating without a physical storefront already significantly limits scale and keeps the license micro in practice. At the same time, we recognize micro-dispensaries are a newer license type and the State may reasonably want time to evaluate implementation, compliance outcomes, and market impacts. MCCE is committed to partnering with the Maryland Cannabis Administration (MCA) and the General Assembly on that evaluation.

Our goal is to treat the increase to 20 as a workable near-term step and to revisit the cap in the coming year or so with the shared objective of moving toward removing it, which will further allow micro-dispensaries to serve underserved communities and those who lack access to traditional dispensaries in their area.

## Why the headcount cap undermines delivery operations, access, and Social Equity outcomes

A delivery-only model requires almost the same headcount as a storefront model simply to operate safely and compliantly on a daily basis. Micro-dispensaries must maintain overlapping coverage for dispatch, secure storage and staging, packaging, deliveries, chain-of-custody, and customer verification—often at the same time. In practice, the cap must account not only for how many people work at the business, but how many registered agents are needed to cover overlapping shifts, off-days, sick time, and basic redundancy so operations do not halt when one person is unavailable.

More broadly, the staffing cap is not the feature that keeps a micro-dispensary “micro” in practice—the delivery-only, no-storefront restriction already does that. As a result, the cap functions less as a meaningful size limiter and more as a constraint that forces Social Equity operators to choose between basic compliance coverage and the capacity to serve patients and consumers consistently. Over time, MCCE’s goal is for micro-dispensaries to operate without a separate headcount cap, while remaining appropriately regulated through the State’s badge-based agent framework, security requirements, and operational oversight.

Eliminating the cap would also allow micro-dispensaries to meet the program’s equity and access objectives by expanding service to communities that benefit most from delivery. With adequate staffing, micro-dispensaries can provide reliable delivery windows, customer support, and education for elderly residents, individuals with disabilities, medical patients, caregivers, and consumers in underserved communities who face transportation barriers, mobility limitations, or limited access to a nearby storefront.

Finally, an artificially low cap can pressure Social Equity licensees into workarounds that undermine equity goals. When a business cannot staff appropriately in-house, it may feel compelled to outsource core functions or operational control to larger, better-capitalized entities through management arrangements or other “support” deals that shift leverage away from the Social Equity licensee. In practice, the cap can therefore create conditions for predatory or highly imbalanced agreements, where equity operators trade economics and autonomy simply to maintain day-to-day operational coverage. Removing the cap would reduce that pressure, allowing Social Equity micro-

dispensaries to hire and train their own workforce, build sustainable operations, and serve Maryland communities as the program intended.

## Delivery operations require real-time separation of key functions

A business needs coverage for (1) dispatch and route coordination, (2) drivers in the field, and (3) on-site packaging, order staging, and compliance checks. Even where staff are cross-trained, one person cannot simultaneously serve as dispatcher, be present on-site to prepare orders, and also be driving deliveries. A higher cap is therefore not about scaling beyond micro; it is about maintaining compliant coverage, continuity of operations, and basic employee scheduling in a delivery-only model to ultimately be able to serve those in our community.

## Why clarity and consistency matter

Small Social Equity operators do not have the in-house compliance staffing that larger operators can maintain. When statutory language is unclear—especially around who counts toward a cap and who must complete state-mandated training—licensees face higher costs, inconsistent enforcement risk, and unnecessary operational disruption. HB 622 should therefore align the cap and training requirements around one clear, badge-based definition.

## Provisions MCCE supports in HB 622

- Increasing the micro-dispensary cap to 20 as a near-term, workable step.
- Maintaining training requirements for the regulated, badged individuals who actually handle cannabis or require operational-area access as part of their job duties.

## Amendments requested

### 1. Cap: define the limit as 20 registered cannabis agents, not 20 employees

HB 622 should clearly distinguish between individuals whose roles involve cannabis handling or operational-area access and those who do not touch cannabis and do not work in operational areas. The cap should apply to the cannabis-touching group—registered, badged cannabis agents—not all employees or broadly defined “authorized persons.”

MCCE appreciates that MCA has already provided practical guidance on this point, including that certain non-cannabis-touching roles and outside professional services generally do not require agent registration, and that the capped population for micro-dispensaries is the group performing cannabis-handling functions or working in operational areas. That guidance reflects how businesses and regulators are operating today.

However, guidance is not a substitute for statute. Guidance can change over time, may be applied differently across inspections or staff transitions, and does not provide the same level of legal certainty for licensees making hiring, staffing, and compliance decisions. For Social Equity micro-dispensaries operating with limited administrative resources, uncertainty around who is counted under the cap creates immediate operational risk: businesses may under-hire to avoid inadvertent noncompliance or over-invest in compliance workarounds that do not improve public safety.

MCCE therefore respectfully requests a technical amendment to codify the current practical interpretation by:

- Defining the cap as no more than 20 registered cannabis agents for a micro-dispensary;
- Stating that the cap applies to individuals who handle cannabis or who work in operational areas as part of their job functions; and
- Stating that non-cannabis-touching support roles and independent professional service providers are not included solely because they act for or at the direction of the licensee.

Codifying this framework will create consistent statewide enforcement, reduce unnecessary compliance ambiguity, and keep the cap focused on the roles that present the relevant regulatory risk.

## 2. Training: use the same definition of “cannabis agent” for both the cap and training

HB 622 should use one consistent, badge-based definition of “cannabis agent” across the statute so that training obligations attach to the same group that is counted under the cap.

Specifically:

- Counted under the cap: registered, badged agents who handle cannabis or who work in operational areas as part of their job duties; and
- Required to complete required agent training: that same group.

MCA's existing guidance and operational practice already point in this direction. The issue is that, without clear statutory language, training requirements can be interpreted more broadly than intended—potentially sweeping in non-cannabis-touching roles and creating recurring costs and tracking burdens that do not improve health or safety.

The bill should therefore also make clear that non-cannabis-touching staff and outside professional service providers (e.g., accounting, legal, custodial) are not cannabis agents for training purposes simply because they perform services for, or at the direction of, the licensee.

Codifying a single, consistent definition will reduce confusion, avoid inconsistent application over time, and ensure that training remains targeted to the regulated, badged population that actually presents the operational compliance risk.

### 3. Responsible Vendor Training: annual RVT is disproportionately burdensome; require it every 3-4 years

MCCE supports Responsible Vendor Training (RVT) as a baseline public safety measure. However, the current annual cycle-requiring completion prior to January 1 each year-creates a recurring compliance burden that falls hardest on Social Equity operators with lean staffing and limited administrative support.

MCCE respectfully requests an amendment to require RVT:

- At initial registration/badging, and then once every 3-4 years (for example, every 3 years); and
- Allow MCA to require a short update module only when there are material legal or regulatory changes, instead of requiring full retraining every year.

Importantly, this cadence should apply only to the same clearly defined group described above: registered, badged cannabis agents who handle cannabis or who require operational-area access as part of their job duties.

To be clear, moving RVT to every 3-4 years does not mean agents would go years without training. Licensees would still be responsible for ongoing, job-specific training and refreshers, including training on the licensee's SOPs, safety and security procedures, compliance controls, and internal policy updates. The requested change simply reduces the frequency of repeating the same standardized RVT course when there have not been material regulatory changes, while preserving day-to-day training and accountability at the licensee level.

## Conclusion

MCCE is favorable on HB 622 and supports increasing the micro-dispensary cap to 20 as a workable near-term step. We respectfully request targeted technical clarifications to ensure the statute is clear that (1) the cap applies to registered cannabis agents in cannabis-touching or operational-area roles—not all employees, (2) required training uses that same consistent, badge-based definition of “cannabis agent,” and (3) RVT is required at initial badging and then every 3–4 years, with interim updates only when there are material regulatory changes. These changes keep the statute focused on the roles that present the relevant regulatory risk while reducing disproportionate compliance burdens on Social Equity micro-dispensaries. We also look forward to partnering with MCA and the General Assembly to move micro-dispensaries toward a future where an agent cap is no longer necessary.

Respectfully submitted,

Maryland Coalition for Cannabis Equity (MCCE)