

Article - Health - General

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§13–3306.

(a) (1) The Commission shall license medical cannabis growers that meet all requirements established by the Commission to operate in the State to provide cannabis to:

(i) Processors licensed by the Commission under this subtitle;

(ii) Dispensaries licensed by the Commission under this subtitle; and

(iii) Independent testing laboratories registered with the Commission under this subtitle.

(2) (i) Subject to subparagraph (ii) of this paragraph, the Commission may license no more than 22 medical cannabis growers.

(ii) 1. If an applicant for licensure that received Stage One preapproval in calendar year 2016 for a medical cannabis grower license fails to satisfy the requirements for licensure established by the Commission, the Commission shall rescind the applicant's Stage One preapproval.

2. If the Commission rescinds the Stage One preapproval for a license of an applicant under subparagraph 1 of this subparagraph, the maximum number of medical cannabis grower licenses authorized under subparagraph (i) of this paragraph shall be reduced by one medical cannabis grower license.

(iii) 1. Subject to subparagraph 2 of this subparagraph, beginning December 1, 2024, the Commission may report to the General Assembly, in accordance with § 2–1257 of the State Government Article, on the number of licenses necessary to meet the demand for medical cannabis by qualifying patients and caregivers issued identification cards under this subtitle in an affordable, accessible, secure, and efficient manner.

2. Before the Commission determines to submit the report described under subparagraph 1 of this subparagraph, the Commission shall provide the Legislative Policy Committee at least 30 days to submit comments to the Commission.

(iv) The Commission shall establish an application review process for granting medical cannabis grower licenses in which applications are reviewed, evaluated, and ranked based on criteria established by the Commission.

(v) A person may not have an ownership interest in or control of, including the power to manage and operate, more than one grower.

(vi) A grower shall pay an application fee in an amount to be determined by the Commission consistent with this subtitle.

(3) The Commission shall set standards for licensure as a medical cannabis grower to ensure public safety and safe access to medical cannabis, which may include a requirement for the posting of security.

(4) Each medical cannabis grower agent shall:

(i) Be registered with the Commission before the medical cannabis grower agent may volunteer or work for a licensed grower; and

(ii) Obtain a State and national criminal history records check in accordance with § 13–3312 of this subtitle.

(5) (i) A licensed grower shall apply to the Commission for a registration card for each medical cannabis grower agent by submitting the name, address, and date of birth of the agent.

(ii) 1. Within 1 business day after a medical cannabis grower agent ceases to be associated with a grower, the grower shall:

A. Notify the Commission; and

B. Return the medical cannabis grower agent's registration card to the Commission.

2. On receipt of a notice described in subparagraph 1A of this subparagraph, the Commission shall:

A. Immediately revoke the registration card of the medical cannabis grower agent; and

B. If the registration card was not returned to the Commission, notify the Department of State Police.

(iii) The Commission may register a person who has been convicted of a felony drug offense as a medical cannabis grower agent unless:

1. Except as provided in item 2 of this subparagraph, the individual submitted an application under subparagraph (i) of this paragraph earlier than 7 years after the individual satisfied the sentence imposed for the conviction, including parole, probation, or mandatory supervision;

2. The individual has been convicted of a violation of § 5–612 or § 5–613 of the Criminal Law Article, regardless of whether the individual has satisfactorily completed the sentence for the offense; or

3. The Commission finds a substantial reason to deny the registration.

(6) (i) A medical cannabis grower license is valid for 6 years on initial licensure.

(ii) A medical cannabis grower license is valid for 4 years on renewal.

(7) An application to operate as a medical cannabis grower may be submitted in paper or electronic form.

(8) The Commission shall encourage licensing medical cannabis growers that grow strains of cannabis, including strains with high cannabidiol content and a broad variety of tetrahydrocannabinol (THC) and cannabidiol (CBD) content, with demonstrated success in alleviating symptoms of specific diseases or conditions.

(9) (i) The Commission shall:

1. To the extent permitted by federal and State law, actively seek to achieve racial, ethnic, gender, and geographic diversity when licensing medical cannabis growers; and

2. Encourage applicants who qualify as a minority business enterprise, as defined in § 14–301 of the State Finance and Procurement Article, or who are small, minority, or women–owned business entities to apply for licensure as medical cannabis growers.

(ii) Beginning June 1, 2018, a grower licensed under this subtitle to operate as a medical cannabis grower shall report annually to the Commission on:

1. The number of minority and women owners of the grower;
2. The ownership interest of any minority and women owners of the grower; and
3. The number of minority and women employees of the grower.

(10) An entity seeking licensure as a medical cannabis grower shall meet local zoning and planning requirements.

(b) An entity licensed to grow medical cannabis under this section may provide cannabis only to:

- (1) Processors licensed by the Commission under this subtitle;
- (2) Dispensaries licensed by the Commission under this subtitle;
- (3) Qualified patients;
- (4) Caregivers;
- (5) Independent testing laboratories registered with the Commission under this subtitle; and
- (6) Academic research representatives purchasing medical cannabis under § 13–3304.1 of this subtitle.

(c) (1) An entity licensed to grow cannabis under this section may dispense cannabis from a facility of a grower licensed as a dispensary.

(2) A qualifying patient, a caregiver, or an academic research representative purchasing medical cannabis under § 13–3304.1 of this subtitle may obtain medical cannabis from a facility of a grower licensed as a dispensary.

(3) An entity licensed to grow medical cannabis under this section may grow and process medical cannabis on the same premises.

(d) An entity licensed to grow medical cannabis under this section shall ensure that safety precautions established by the Commission are followed by any facility operated by the grower.

(e) The Commission shall establish requirements for security and the manufacturing process that a grower must meet to obtain a license under this section, including a requirement for a product-tracking system.

(f) The Commission may inspect a grower licensed under this section to ensure compliance with this subtitle.

(g) The Commission may impose penalties or rescind the license of a grower that does not meet the standards for licensure set by the Commission.

(h) A grower licensed under this section or a medical cannabis grower agent registered under this section may not be penalized or arrested under State law for:

(1) Cultivating, possessing, packaging, transferring, transporting, selling, or distributing medical cannabis to a processor or dispensary; or

(2) Transporting the medical cannabis to an independent testing laboratory.

(i) A grower licensed under this subtitle is subject to the Maryland Antitrust Act and the Maryland Sales Below Cost Act.

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