

# SENATE BILL 525

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3lr2711  
CF 3lr2154

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By: **Senator McKay**

Introduced and read first time: February 3, 2023

Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Economic Development – Program Participation – Cannabis Business**  
3 **Establishments**

4 FOR the purpose of prohibiting the Department of Commerce from denying certain  
5 cannabis business entities conducting business in the State certain economic  
6 development program benefits under certain circumstances; clarifying the eligibility  
7 of certain cannabis business entities conducting business in the State under the Job  
8 Creation and One Maryland programs; prohibiting the Department from refusing to  
9 certify certain cannabis business entities conducting business in the State to  
10 participate in the More Jobs for Marylanders Program under certain circumstances;  
11 and generally relating to the ability of cannabis business entities to participate in  
12 economic development programs in the State.

13 BY repealing and reenacting, with amendments,  
14 Article – Economic Development  
15 Section 5–101, 6–303(b)(1)(ii)12., and 6–402(b)(3)(xii) and (xiii)  
16 Annotated Code of Maryland  
17 (2018 Replacement Volume and 2022 Supplement)

18 BY repealing and reenacting, without amendments,  
19 Article – Economic Development  
20 Section 6–303(b)(1)(ii)13.  
21 Annotated Code of Maryland  
22 (2018 Replacement Volume and 2022 Supplement)

23 BY adding to  
24 Article – Economic Development  
25 Section 6–303(b)(1)(ii)14., 6–402(b)(3)(xiv), and 6–803(a–1)  
26 Annotated Code of Maryland  
27 (2018 Replacement Volume and 2022 Supplement)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
2 That the Laws of Maryland read as follows:

3 **Article – Economic Development**

4 5–101.

5 (a) The Department shall administer the State’s economic development and  
6 growth funds to facilitate the attraction, creation, expansion, and retention of businesses  
7 and jobs in the State.

8 (b) The Department shall encourage local governments to develop, and assist  
9 local governments in developing, strategic plans for economic development.

10 **(c) THE DEPARTMENT MAY NOT DENY A BUSINESS ENTITY CONDUCTING A**  
11 **TRADE OR A BUSINESS AS A MEDICAL CANNABIS GROWER, PROCESSOR, OR**  
12 **DISPENSARY OR ANY OTHER CANNABIS ESTABLISHMENT LICENSED BY THE STATE A**  
13 **PROGRAM BENEFIT UNDER THIS TITLE SOLELY BECAUSE THE BUSINESS ENTITY IS A**  
14 **CANNABIS ESTABLISHMENT, IF THE BUSINESS ENTITY OTHERWISE SATISFIES THE**  
15 **REQUIREMENTS OF THE PROGRAM, INCLUDING ANY INDUSTRY SECTOR SPECIFIC**  
16 **REQUIREMENTS.**

17 6–303.

18 (b) To be eligible for a tax credit under this subtitle:

19 (1) a person shall establish or expand a business facility in the State that:

20 (ii) is primarily engaged in:

21 12. business services, if the business facility established or  
22 expanded is located in a State priority funding area; [or]

23 13. entertainment, recreation, cultural, or tourism–related  
24 activities in a multi–use facility located within a revitalization area if the facility:

25 A. generates a minimum of 1,000 new full–time equivalent  
26 filled positions in a 24–month period; and

27 B. is not primarily used by a professional sports franchise or  
28 for gaming; or

29 **14. THE GROWTH, PROCESSING, OR DISPENSING OF**  
30 **CANNABIS IN ACCORDANCE WITH THE LAWS OF THE STATE; OR**

31 6–402.

1 (b) To be eligible for a project tax credit, a person shall:

2 (3) be primarily engaged at the new or expanded business facility in any  
3 combination of:

4 (xii) warehousing; [or]

5 (xiii) other business services; OR

6 (XIV) THE GROWTH, PROCESSING, OR DISPENSING OF CANNABIS  
7 IN ACCORDANCE WITH THE LAWS OF THE STATE.

8 6-803.

9 (A-1) THE DEPARTMENT MAY NOT REFUSE TO CERTIFY A BUSINESS ENTITY  
10 CONDUCTING A TRADE OR A BUSINESS AS A MEDICAL CANNABIS GROWER,  
11 PROCESSOR, OR DISPENSARY OR ANY OTHER CANNABIS ESTABLISHMENT LICENSED  
12 BY THE STATE SOLELY BECAUSE THE BUSINESS ENTITY IS A CANNABIS  
13 ESTABLISHMENT, IF THE BUSINESS ENTITY OTHERWISE SATISFIES THE  
14 REQUIREMENTS OF THIS SUBTITLE.

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
16 1, 2023.