

SENATE BILL 525

C8

3lr2711
CF HB 922

By: **Senator McKay**

Introduced and read first time: February 3, 2023

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 7, 2023

CHAPTER _____

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 authorizing certain cannabis business entities to reapply for benefits under certain
12 economic development programs; and generally relating to the ability of cannabis
13 business entities to participate in economic development programs in the State.

14 BY repealing and reenacting, with amendments,
15 Article – Economic Development
16 Section 5–101, 6–303(b)(1)(ii)12., and 6–402(b)(3)(xii) and (xiii)
17 Annotated Code of Maryland
18 (2018 Replacement Volume and 2022 Supplement)

19 BY repealing and reenacting, without amendments,
20 Article – Economic Development
21 Section 6–303(b)(1)(ii)13.
22 Annotated Code of Maryland
23 (2018 Replacement Volume and 2022 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 BY adding to
 2 Article – Economic Development
 3 Section 6–303(b)(1)(ii)14., 6–402(b)(3)(xiv), and 6–803(a–1)
 4 Annotated Code of Maryland
 5 (2018 Replacement Volume and 2022 Supplement)

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

8 **Article – Economic Development**

9 5–101.

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

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

15 **(C) (1) THE DEPARTMENT MAY NOT DENY A BUSINESS ENTITY**
 16 **CONDUCTING A TRADE OR A BUSINESS AS A MEDICAL CANNABIS GROWER,**
 17 **PROCESSOR, OR DISPENSARY OR ANY OTHER CANNABIS ESTABLISHMENT LICENSED**
 18 **BY THE STATE A PROGRAM BENEFIT UNDER THIS TITLE SOLELY BECAUSE THE**
 19 **BUSINESS ENTITY IS A CANNABIS ESTABLISHMENT, IF THE BUSINESS ENTITY**
 20 **OTHERWISE SATISFIES THE REQUIREMENTS OF THE PROGRAM, INCLUDING ANY**
 21 **INDUSTRY SECTOR SPECIFIC REQUIREMENTS.**

22 **(2) IF, BEFORE JULY 1, 2023, A BUSINESS ENTITY DESCRIBED UNDER**
 23 **PARAGRAPH (1) OF THIS SUBSECTION WAS DENIED A PROGRAM BENEFIT UNDER**
 24 **THIS TITLE SOLELY BECAUSE THE BUSINESS ENTITY WAS A CANNABIS**
 25 **ESTABLISHMENT, THE BUSINESS ENTITY MAY REAPPLY FOR THE PROGRAM.**

26 6–303.

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

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

29 (ii) is primarily engaged in:

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

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

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

5 B. is not primarily used by a professional sports franchise or
6 for gaming; or

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

9 6–402.

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

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

13 (xii) warehousing; [or]

14 (xiii) other business services; OR

15 **(XIV) THE GROWTH, PROCESSING, OR DISPENSING OF CANNABIS**
16 **IN ACCORDANCE WITH THE LAWS OF THE STATE.**

17 6–803.

18 **(A–1) (1) THE DEPARTMENT MAY NOT REFUSE TO CERTIFY A BUSINESS**
19 **ENTITY CONDUCTING A TRADE OR A BUSINESS AS A MEDICAL CANNABIS GROWER,**
20 **PROCESSOR, OR DISPENSARY OR ANY OTHER CANNABIS ESTABLISHMENT LICENSED**
21 **BY THE STATE SOLELY BECAUSE THE BUSINESS ENTITY IS A CANNABIS**
22 **ESTABLISHMENT, IF THE BUSINESS ENTITY OTHERWISE SATISFIES THE**
23 **REQUIREMENTS OF THIS SUBTITLE.**

24 **(2) IF, BEFORE JULY 1, 2023, A BUSINESS ENTITY DESCRIBED UNDER**
25 **PARAGRAPH (1) OF THIS SUBSECTION WAS DENIED CERTIFICATION UNDER THIS**
26 **SUBTITLE SOLELY BECAUSE THE BUSINESS ENTITY WAS A CANNABIS**
27 **ESTABLISHMENT, THE BUSINESS ENTITY MAY REAPPLY TO THE DEPARTMENT FOR**
28 **CERTIFICATION.**

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
30 1, 2023.