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Submitted to:

Maryland House of Delegates, Health and Government Operations Committee,
Annapolis, MD - February 28, 2020

Testimony from the Maryland State Chapter of the National Organization for the Reform of
Marijuana Laws (NORML)

In Regard to:

HB1449 (Health - Medical Cannabis Reauthorization Act)

Economic Development from the Bottom Up, Not the Top Down!

Maryland NORML has no paid staff – we are entirely energized by more than 5,000 Maryland citizens committed to ending marijuana prohibition and establishing a regulated cannabis commercial market for adults who choose to use marijuana responsibly. We submit this testimony on behalf of our membership, their families, and other Marylanders who want to see harm reduction policies that will establish a more just and inclusive society.

HB1449 is an important first step to our shared goal of having more diversity and equity in Maryland’s existing medical cannabis supply chain. The Maryland Medical Cannabis Commission (MMCC) already has the authority to let supply-and-demand market forces inform the appropriate number of dispensary “point-of-sale” licenses – HB1449 will expand that authority to include medical cannabis cultivation and processing business licenses as well.

Imposing a legislative “cap” on the number cultivation and processing licenses unnecessarily undermines the MMCC mission by artificially limiting the supply of medical cannabis products to the growing number of certified medical cannabis patients in our state.

The legislative “cap” on licenses to cultivate and process medical cannabis products artificially increases the market value of each license, ensuring that only highly capitalized business operations will participate in the multi-hundred million-dollar annual in-state market. Under the current limited license environment, most legal medical cannabis products sold in Maryland are produced by “multi-state operators” – marijuana companies with cultivation, processing, dispensary, and ancillary business operations in many legal



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markets throughout the US, and in some cases internationally. The average Maryland “mom-and-pop” small business operators simply have no way to engage in the otherwise legal medical industry.

Maryland medical cannabis patients spent ~\$250M on legal cannabis products in 2019, and that number is expected to almost double in 2020, exceeding ~\$400M. Current law prevents responsible Maryland-based small business operations from participating in this emerging legal medical industry. This does not only hurt the Maryland economy generally – it specifically harms the communities most negatively impacted by our racist criminal justice system.

Simply put – it is unjust to impose unnecessary barriers to market participation and economic self-sufficiency. The MMCC should be authorized to issue cultivation and processing licenses to responsible Maryland-based business owner-operators based on consumer demand for high quality, safe, and affordable medical cannabis products.

For these reasons, I urge you to support HB1449 and forward with a favorable recommendation.

Thank you for your time and consideration.

Luke Jones, Maryland NORML

cc:
Adrienne Jones, House Speaker