

March 3, 2021

Hearing Before: Maryland Senate

Re: HB 708

Testimony of Steven Mariast, Compliance Manager and Co-Owner,
Dispensary Works, LLC

Senators and Esteemed Colleagues:

Thank you for the opportunity to comment on the proposed Bill to establish adult-use cannabis in Maryland.

I have a medical cannabis dispensary in Charles County, Maryland., and I speak for myself, and for the Dispensary Association in support of this bill with amendments. We applaud the inclusion of dual-licensure that uses our existing expertise and infrastructure to fast-track the availability of product and revenue for the state.

We advocate that one governing body administer the cannabis program for medical and adult-use. The cost to Maryland, and thereby taxpayers, to have two organizations with a great deal of overlap, would be exorbitant. It adds a level of complexity that is unnecessary, while increasing operating costs for cannabis businesses. The adult-use business could come on line much faster, with significantly greater efficiency if the existing Cannabis Commission would administer both.

We feel the tax rate is reasonable and reduces risks of individuals being driven to the black market based on cost. Pre-planned increases in the tax rate pre-suppose a market, which may or may not be realistic. Any increases should be done at a future date, carefully weighing market experience and risk to increasing black market sales.

We support an amendment to establish equitable treatment for existing licensees should their local jurisdiction opt out of adult-use

cannabis sales. Choice of a location in another jurisdiction is needed if this should occur.

We support the inclusion of the low-tier grow licenses. I speak for myself and other dispensaries unaffiliated with a grow or processor, in advocating for an amendment to fast-track low-tier grow licenses for these 30+ dispensaries. Without this amendment, we miss an opportunity to better support small-, women -and minority-owned businesses at a time when much energy and resources are being devoted to social equity among cannabis licensees. Early granting of these licenses will help us manage any potential impact to our medical patients as we implement adult-use. These early licenses would provide stability for us, while allowing rapid startup and revenues for the state.

Having a small number of cannabis strains available locally will provide consistent access to product that may be tailored to meet local requirements. These craft-style licenses will help ensure more equitable distribution of flower across the market, and help with price stability. Too, the ability to grow a limited amount of flower would allow us to better guarantee a core set of products upon which consumers could depend.

Thank you for your consideration of these amendments.

Respectfully,

Steven Mariast