Trilogy Wellness of Maryland, LLC

9291 Baltimore National Pike, Ellicott City, MD 21042

MMMC Dispensary License #D-1800010

## **HB 32 Adult Use Legalization:**

The position of Trilogy Wellness of Maryland is support with amendments. We propose that the proposed tax rate as written is too high. The proposed tax rate would drive out of state sales in neighboring areas DC, VA and PA and drive more customers to the black market for product as higher tax rates would impact pricing and ultimately the customer in Maryland would pay for this higher tax rate. The main issue is that few in the medical market will be incentivized to transition to the legal market.

Higher revenues will be generated by the legal market however the fee for the legal market license should mimic the medical market where the growers pay the most, followed by processors, then dispensaries based on the amount of revenue each type of license generates. The fee total is too high for a small business such as Trilogy Wellness of Maryland to afford ownership caps which is why ownership should be similar to the medical market and protect small businesses and protect against consolidation of licenses. We also feel the proposed number of licenses (200) is high based and that the specific geographic spread of dispensaries is important to create a fair market.

Trilogy believes low tier cultivation licenses should be awarded for unaffiliate dispensaries. Micro cultivation licenses for dispensaries unaffiliate with a grow will create product stability and consistent access to medication for patients and customers. These dispensaries would have a small number of strains that patients can expect to be available consistently and found from that particular facility. Allowing small amounts of flower produced from these licenses will create price stability in the market and a more affordable products for patients and dispensaries. This will allow for a more equitable distribution of flower across the market. Most small dispensaries that are unaffiliated with growers are unable to source enough flower for the demand or their patient and customer bases.

The regulating body for adult use should be the same body to oversee both the medical and adult use programs HB 706. As a business we are open for any lawmaker to visit us and we will be happy to discuss further and open our books for review.