

February 20, 2024

Honorable Chair C.T. Wilson Chair, House Economic Committee Lowe House Office Building, Room 231 6 Bladen St., Annapolis, MD 21401

Dear Chair Wilson, Vice Chair Crosby, and Members of the House Economic Matters Committee:

Testimony in support of HB 272 – Cannabis Licensing and Registration - Use of Straw Ownership - Prohibition

HB272 would prohibit an individual from applying for or holding a cannabis license for the limited purpose of satisfying social equity requirements. This bill builds on the legislative intent of the *Cannabis Reform Act of 2023* that established the first cannabis licensing round in the nation that was exclusively open to qualifying social equity applicants. We support the efforts of this bill to address bad actors who attempt to submit fraudulent ownership information for the purposes of obtaining a cannabis license. This bill provides the Maryland Cannabis Administration with another oversight tool to ensure that the resources to support social equity licensees are actually going towards those individuals as intended.

I hope this information is useful. If you would like to discuss this further, please contact me at (443) 610-1666 or <u>audrey.johnson1@maryland.gov</u> or Courtney Davis, Deputy Director at (443) 610-1730 or <u>courtney.davis@maryland.gov</u>.

Sincerely,

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Audrey Johnson Executive Director, Office of Social Equity