

February 15, 2024

The Honorable Pamela Beidle Chair, Senate Finance Committee 3E Miller Senate Office Building 11 Bladen Street Annapolis, MD 21401

RE: Senate Bill 158 – Cannabis Licensing - Zoning Requirements - Alteration – Letter of Information

Dear Chair Beidle -

The Maryland Cannabis Administration (MCA) is submitting this letter of information for Senate Bill 158 – Cannabis Licensing - Zoning Requirements - Alteration (SB0158).

SB0158 removes a zoning exemption from certain businesses that were not operational prior to October 1, 2022, but had been provided a Stage One Preapproval by the Maryland Medical Cannabis Commission, the predecessor agency of the MCA. This exemption was added in Chapters 254/255 of 2023, the Cannabis Reform Act (CRA), to prevent businesses awarded a license under House Bill 2 of 2018 (HB2) that already held control of a facility from needing additional zoning approvals. SB0158 would remove this exemption.

HB2 awarded a Stage One Preapproval for a cannabis license to 4 growers and 10 processors prior to October 1, 2022. Each firm obtaining an award was majority minority- and/or women-owned. In addition, there are two (2) dispensary firms in District 24 that were awarded a Stage One Preapproval prior to October 1, 2022, who were not operational by October 1, 2022. All other medical cannabis businesses who converted to a standard medical and adult-use license were licensed and operational prior to October 1, 2022.

MCA understands that the bill sponsor may have introduced the legislation seeking to address businesses operating in District 29. Below are the dates of licensing for all businesses in District 29. All businesses were licensed and operational prior to October 1, 2022.

- Southern Maryland Relief, d/b/a Story of Maryland, DA-23-00002, October 23, 2017
- G&J Pharmaceuticals, LLC, d/b/a Greenwave Maryland, DA-23-00099, January 25, 2018

- Seven Points Agro Therapeutics, d/b/a Story of Maryland, PA-23-00004, April 10, 2018
- Seven Points Agro Therapeutics, d/b/a Story of Maryland, GA-23-00009, May 27, 2021

Any additional businesses that may be licensed pursuant to the Cannabis Reform Act will not hold a Stage One Preapproval prior to October 1, 2022. Therefore, SB0158 would only impact a maximum of 16 businesses.

I hope this information is useful. If you would like to discuss this further, please contact me at (410) 487-8069 or <u>william.tilburg@maryland.gov</u> or Andrew Garrison, Chief of the Office of Policy and Government Affairs at (443) 844-6114 or <u>andrew.garrison@maryland.gov</u>.

Sincerely,

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William Tilburg, JD, MPH Acting Director, Maryland Cannabis Administration

cc: Members of the Senate Finance Committee