FAV - SB0469 - MCA.docx.pdfUploaded by: Andrew Garrison

Position: FAV



Wes Moore, Governor • Aruna Miller, Lt. Governor • Will Tilburg, Director

February 22, 2024

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

RE: Senate Bill 469– Maryland Cannabis Administration – Cannabis Licensing – Protests of Renewal – Letter of Support

Dear Chair Beidle,

The Maryland Cannabis Administration (MCA) is submitting this letter of support for Senate Bill 469 – Maryland Cannabis Administration – Cannabis Licensing – Protests of Renewal (SB0469), and respectfully requests a favorable committee report.

SB0469 establishes a process for residents and commercial tenants who are within 1,000 feet of a licensed cannabis business to protest the renewal of the cannabis license under certain circumstances. The provisions of the bill are consistent with the protest of renewal provisions governing retail alcoholic beverages licensees in the State. SB0469 would require the MCA to hold a public hearing to consider any substantive protests of renewal filed with the agency, and authorize the MCA to promulgate regulations to implement the statutory provisions.

The MCA believes that the provisions under SB0469 will provide an important mechanism for input and feedback on the community impact of licensed cannabis facilities. The bill will also help ensure that cannabis businesses are good neighbors and community members in the neighborhoods in which they are located, without placing significant additional burdens on the cannabis licensees or MCA. SB0469 also provides a role for local authorities to enforce provisions of local law, maintain a good quality of life for their residents, and protect the rights of other businesses in the area. Under the bill, only certain violations or citations may serve as the basis for a protest of renewal. Included in this list of violations or citations are those that may be issued by local officials.

There are approximately 100 licensed dispensaries currently operating in the State, with an additional 75 licenses subject to award in the coming weeks, and up to 300 total dispensaries authorized statewide under the Cannabis Reform Act of 2023 (Chapters 254/255 of the Acts of 2023). As the cannabis industry continues to grow in Maryland, the MCA is committed to ensuring that operators act in good faith and are good community partners. The MCA also believes there is an important role for the local communities to play in keeping the licensees, and the MCA itself accountable in maintaining a safe and responsible cannabis industry in the State.

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

Sincerely,

Will Tilburg, JD, MPH

Director, Maryland Cannabis Administration

cc: Members of the Senate Finance Committee

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Position: FAV

CORY V. McCray Legislative District 45 Baltimore City

DEPUTY MAJORITY WHIP

Budget and Taxation Committee

Subcommittees

Chair, Health and Human Services

Vice Chair, Capital Budget

Executive Nominations Committee

Legislative Policy Committee

Joint Committee on Gaming Oversight



THE SENATE OF MARYLAND ANNAPOLIS, MARYLAND 21401

James Senate Office Building 11 Bladen Street, Room 221 Annapolis, Maryland 21401 410-841-3165 · 301-858-3165 800-492-7122 Ext. 3165 Cory.McCray@senate.state.md.us

Vote Yes to SB 469

Title: Maryland Cannabis Administration – Cannabis Licensing – Protests of Renewal Finance Committee

Hearing: February 22, 2024

Dear Chair, Vice Chair, and Members of the Committee,

I am writing to request your favorable vote on Senate Bill 469. This will be a new piece of legislation that gives citizens of Maryland the ability to protest the renewal of a cannabis license with the Maryland Cannabis Administration (MCA). This legislation makes the MCA able to receive and address protests, focusing on regulations related to the renewal of cannabis licenses.

The purpose of SB469 is to grant citizens of Maryland the right to voice concerns and protest the renewal of cannabis licenses through the Maryland Cannabis Administration (MCA). By providing a formal avenue for citizen input, the legislation creates transparency and accountability in the licensing process. It encourages individuals to participate in shaping the surrounding cannabis licenses, ensuring that the MCA has diverse perspectives that they consider during the renewal process. This measure promotes inclusivity and responsiveness for the cannabis industry in Maryland, furthering public trust and the engagement of the people in the decision-making process.

Significance and Impact: The significance of SB469 is that citizens in Maryland can disrupt the operations of malpracticing cannabis shops that detrimentally impact communities' economies

and well-being. By allowing individuals to protest the renewal of cannabis licenses through the Maryland Cannabis Administration (MCA), the legislation impacts businesses engaging in practices that harm local economies and the overall welfare of residents. This means issues such as environmental, economic, or social harm caused by cannabis establishments can be a reason to

protest license renewal. Having this legislation contributes to the regulation and oversight of the cannabis industry here in Maryland, fostering a safer and more responsible marketplace. This bill prioritizes the citizens of Maryland's communities and their well-being, which is why I urge a favorable report for Senate Bill 469.

Respectfully,

Cory V. McCray 45th District

Testimony CBP SB 469.pdfUploaded by: Ellen Janes Position: FAV



TESTIMONY

In Support of Senate Bill 469, Maryland Cannabis Administration – Cannabis Licensing - Protests of Renewal

Senate Committee on Finance

February 22, 2024

Dear Chair, Vice Chair, and Members of the Finance Committee,

I am writing in support of Senate Bill 469, which would give communities a voice in the renewed licensing of cannabis distributors. We appreciate this legislation, sponsored by Senator Cory McCray, which empowers community members to participate in licensing renewal decisions by the Maryland Cannabis Administration (MCA).

Communities negatively impacted by irresponsible providers of certain licensed services are typically blocked from influencing licensing decisions. While Immediate communities of poorly managed facilities may be plagued by loitering, crime, traffic, or nuisances related to the facilities, the concerns of operators or the needs of constituents are given precedence over the interests of the immediate community.

SB 469 gives these communities a voice—the right to protest the renewal of cannabis licenses through the MCA—in cases when operators have a demonstrated record of mismanagement that is deleterious to the community. This bill promotes the inclusion of community members in these decisions that directly affect their quality of life, and promotes the transparency and responsiveness of the MCA, an important State decision-maker. This openness to communication from the community is especially important in the case of an emerging sector such as the cannabis industry.

Thank you for this opportunity! Please support SB 469.

Sincerely,

Ellen Janes

Executive Director

CLC Written Testimony SB 469 Maryland Cannabis Adm Uploaded by: Shana Roth-Gormley

Position: FAV



SB 469

Maryland Cannabis Administration - Cannabis Licensing - Protests of Renewal

Hearing before the Senate Finance Committee Feb. 22, 2024

POSITION: Favorable

Community Law Center (CLC) is a 501(c)(3) nonprofit organization, which is a legal partner to Maryland neighborhoods and nonprofits in pursuit of more just and vibrant communities. CLC provides direct legal representation to communities and nonprofits on issues like tax exemption and nonprofit governance, real estate, contracts, intellectual property, employment law, and more. We advocate on issues that impact our Maryland neighborhood clients, including to address nuisance and dangerous liquor establishments.

CLC supports SB 469 to give residents a voice when a cannabis licensee is negatively impacting their community. For many years, CLC has been an advocate for communities dealing with problem liquor licensees in Baltimore City. As the cannabis industry grows in Maryland, our neighborhood clients are reporting many of the same issues with cannabis licensees that they have experienced with liquor licensees. Problems like crime and violence associated with establishments, trash and vandalism in the vicinity, and sales to minors, have all been factors in communities seeking to protest the renewal of liquor licenses. Now, those issues are arising in connection with new cannabis licenses. And, as with liquor establishments, community members have reported feeling overwhelmed by the density of new cannabis licensees, particularly in predominantly Black neighborhoods.

For liquor establishments, annual license renewal time provides a critical opportunity for impacted communities to raise objections and receive a fair hearing, and for the Baltimore City Board of Liquor License Commissioners (BLLC) to fairly weigh specific complaints against problem outlets in deciding whether their renewals are merited. The protesting community members hold the significant burden of demonstrating the problems caused by the establishment. Community members must attempt communication with the licensee and establishment operator, call in code violations and criminal reports, keep logs and records, and gather signatures (which is especially difficult when residents may feel fearful of so publicly going against the business). But without this opportunity for protesting annual renewals, communities would lose one of the few tools they have to deal with licensees whose operations are a detriment to the safety or welfare of their neighborhoods. Regulation of cannabis outlets must provide for this same level of accountability as that of liquor outlets.

HB 469 leaves to the Administration the development and implementation of regulations to allow residents and communities to protest the renewals of cannabis licenses. CLC urges support for this bill to move forward this process of developing regulations around this new industry. CLC supports SB 469. Thank you for the opportunity to testify.

For the above reasons, **CLC urges a FAVORABLE VOTE ON SB 469.**

Please contact Shana Roth-Gormley, Staff Attorney at Community Law Center, with any questions. ShanaR@communitylaw.org | 410-366-0922 x 118

Carrington 2024 HB469 MCA Protests of Renewal.pdf Uploaded by: Darrell Carrington

Position: UNF



House Bill 1474\Senate Bill 469 – Maryland Cannabis Administration – Cannabis Licensing – Protests of Renewal

OPPOSE

Carrington & Associates, LLC is writing to express our strong opposition to Senate Bill 469 and House Bill 1474, and we kindly request that the committee returns an unfavorable report on these bills.

While we understand the importance of addressing concerns within the community regarding cannabis licensing, we believe that these bills go too far in granting residents excessive control over legitimate and well-functioning businesses. The provisions outlined in SB469/HB1474 authorize specific individuals to file protests against license renewals, potentially putting legal businesses at risk of losing their livelihoods and investments. The requirement for at least 10 individuals, all residing within 1,000 feet of the licensed premises, to file a protest seems arbitrary and could lead to the exploitation of the system by a minority group with personal agendas.

Moreover, the criteria for filing a protest are broad and subjective, including violations of Title 36 of the Alcoholic Beverages and Cannabis Article, violations of civil or criminal law, and conduct that disturbs public peace. While it is crucial to address genuine concerns, there are already existing zoning and legal remedies that can be enforced to shut down businesses operating outside the law and community standards.

Granting residents the authority to influence license renewals through protests could have a chilling and devastating effect on economic development. Legal businesses that contribute positively to the community should not be subjected to the potential misuse of this authority by a minority group.

We strongly urge the committee to reconsider the implications of SB469/HB1474 on legitimate businesses and economic development. Instead, we propose that we focus on strengthening the existing regulatory framework and enforcement mechanisms to address any legitimate concerns within the community. Thank you for your time and consideration. We trust that the committee will carefully weigh the potential consequences of these bills and make a decision that promotes fairness, economic development, and the well-being of legal businesses.

Please do not hesitate to contact Darrell Carrington, Founding Board Member and former Executive Director of the Maryland Cannabis Industry Association (MDCIA), at 732-763-7398 or darrell.carrington@verizon.net.