DISTRICT^{*} Cannabis

HB1377 – CANNABIS - ADVERTISING - PROHIBITED LOCATIONS (EQUITY IN CANNABIS ADVERTISING ACT) DEL. AMPREY

SUPPORT

District Cannabis is pleased to offer its strong support to HB1377, a modest, common-sense reform that will significantly help the next generation of retail dispensaries to succeed.

The fundamental principle of 2023's Cannabis Reform Act is that we all benefit from cannabis sales taking place in the legal market. Consumers can trust the safe, tested, legal products that our licensees provide, and the state benefits from the development of a legal, regulated cannabis industry and the jobs and taxes that industry generates.

A retailer can only sell products to consumers, however, if the consumers know the retailer exists. Our licensed dispensaries face a number of public and private hurdles to advertising, hindering their ability to reach cannabis consumers and to bring them into the legal market. These impediments are even more challenging for our newer market entrants, who must compete with the vestiges of the illegal market as well as established dispensaries.

HB1377 gives these new licensees a benefit by allowing them to engage in outdoor advertising subject to reasonable restrictions. The legislation represents thoughtful reforms that will benefit the community while preserving protections against marketing to or near minors.

Notably, existing law not only prevents outdoor advertising by licensees in Maryland, it also prohibits them from advertising in other states. Many of our dispensaries serve markets that cross state borders, but our existing limitations prevent them from alerting consumers in places like Pennsylvania or West Virginia that Maryland's licensees are able to provide adults with safe, tested, quality products. We believe the state would benefit from cross-border sales, and believe this is an additional, important reason to support HB1377.