



February 18, 2025

The Honorable C.T. Wilson
Chair, House Economic Matters Committee
230 Taylor House Office Building
Annapolis, Maryland 21401

HB0204 – Cannabis – Wholesaler License – Establishment
FAVORABLE

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

I am writing on behalf of the Maryland Cannabis Administration (MCA) in SUPPORT of HB0204 – Cannabis – Wholesaler License – Establishment.

HB0204 is a departmental request from the MCA to establish and define a new “wholesale” cannabis license category. As introduced, HB0204:

- Establishes fees associated with application and licensure for this category;
- Authorizes the Administration to award up to 15 wholesale cannabis licenses; and,
- Requires the Administration to incorporate the new category in forthcoming licensing rounds.

This framework is largely forward-looking. The [MCA's 2023 predictive modeling report](#) to the General Assembly indicated that early adoption of wholesale licenses could position Maryland as a strategic hub for cannabis distribution in a national market, should federal rescheduling occur. Established wholesale distributors in Maryland would be crucial for managing out-of-state product flows and ensuring compliance with Maryland's testing, packaging, and labeling standards.

Relevant near-term use of wholesale licenses could be to support current micro-businesses - which are explicitly small, social equity businesses - by providing them with centralized, safe storage and inventory management. This would further facilitate partnerships that would reduce cost and increase operational efficiency for micro-businesses.

Ultimately, the creation of a wholesale license category through HB0204 positions the MCA and the State of Maryland to be better prepared for future interstate commerce, and early establishment will likely provide long-term advantages. If you have any questions or would like to discuss this further, please contact me at (410) 487-8051 or andrew.garrison@maryland.gov, or Selena Rawlley, Senior Policy Analyst, at selena.rawlley@maryland.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "A. Garrison", with a stylized flourish at the end.

Andrew C. Garrison
Chief of Policy & Government Affairs, Maryland Cannabis Administration