



ATCC

Alcohol, Tobacco, and Cannabis Commission

Wes Moore
Governor

Aruna K. Miller
Lt. Governor

Jeffrey A. Kelly
Executive Director

February 18, 2025

BILL: HB 204 – Cannabis - Wholesaler License - Establishment

COMMITTEE: Economic Matters

POSITION: Favorable

Hon. C.T. Wilson, Chair and Members of the Economic Matters Committee:

I write on behalf of the Alcohol, Tobacco, and Cannabis Commission (“ATCC”) to request a **Favorable Report on HB204 – Cannabis - Wholesaler License-Establishment.**

HB204 establishes a Cannabis Wholesaler License that authorizes wholesalers, licensed by Maryland Cannabis Administration (“MCA”) to purchase, securely store, transport, and distribute cannabis or cannabis products to other MCA licensed cannabis businesses.

The proposed wholesaler license provisions under HB204 are generally comparable to wholesaler provisions under Maryland’s three-tiered alcohol beverage and tobacco products’ industries.¹ Within these industries that the ATCC regulates, the Maryland consumer has benefitted through the separation of the manufacturing, wholesaling, and retailer tiers. Such separation fosters fair competition by allowing manufacturers, wholesalers, and retailers to thrive in the commercial market. Consumers also benefit from a diverse selection of vetted high-quality alcoholic beverage and tobacco products.

By creating a cannabis wholesaler license, HB204 would ensure a well-regulated supply chain, promote industry accountability, and align with Maryland’s commitment to maintaining robust standards for cannabis storage, testing, and distribution. Adopting a wholesaler license for cannabis would facilitate a well-regulated and competitive marketplace while enhancing public health and safety. The ATCC stands ready to assist the MCA by addressing the unlicensed wholesaler market, as required under the law.²

Accordingly, the ATCC requests the Economic Matters Committee to issue a Favorable Report on HB204 – Cannabis - Wholesaler License - Establishment.

Sincerely,

Jeffrey A. Kelly
Executive Director

¹ Alc. Bev. Can. 2-301 to 2-317 (Alcoholic Beverages) and Bus. Reg. Art. 16 201 to 16-223 (Cigarettes), 16.5-201 to 16.5-218 (Other Tobacco Products), and 16.7-201 to 16.7-214 (Electronic Smoking Devices).

² Alc. Bev. Can. 36-1102.