



Curio Wellness Written Comments
SB0215 Hearing – Thursday, January 30, 2025

Founded and based in Maryland, [Curio Wellness](#) is a family-owned and operated cGMP certified cannabis company and trusted wellness partner. We're dedicated to increasing the accessibility of high-quality cannabis to the growing population of citizens who seek safe, effective, and reliable products. Available in over 90 dispensaries across Maryland, our focus on innovative and high-quality products and services has made Curio a market leader in Maryland. Moreover, as an organization, Curio knows that a diverse and inclusive workforce creates an optimum workplace that attracts and retains talented employees and loyal customers. In fact, this commitment to diversity has been present since inception with Curio's inaugural leadership team comprising a multi-racial group of men and women. As the company has grown, so has its focus on a diverse team of workers and leaders. Overall, 40% of the Curio Wellness workforce is female and 44% identifies as Black, Hispanic, Asian, American Indian or Alaska Native, or multi-racial. Among management, 39% are female and 27% identify as Black, Hispanic, or multi-racial.

We appreciate the efforts of the Maryland Senate and House over the last several years, crafting legislation of this nature is undoubtedly challenging, and we recognize the nuance and balance needed to address the plethora of industry-related stakeholders. Therefore, we'd like to take this opportunity to address the proposed cannabis reform and its impact on consumers, businesses, and public safety. As operators, deeply engaged in the cannabis community, we urge this body to consider three key points of concern and offer constructive feedback to improve this important piece of legislation.

- 1. Potency Restrictions on Existing Beverage Products:** The current potency restrictions on cannabis-infused beverages, referred to as Liquid Edibles, are set at 10mg THC per serving and products are only available in single serving packages. The proposed inclusion of a "Cannabinoid Beverage" maintains the single serve product specification while decreasing the potency to 5mg of THC per serving. While it is essential to regulate and ensure the safety of cannabis products, the potency cap on beverages does not align with industry trends, consumer preferences, or the responsible use of cannabis. Consumers today are looking for more choice and flexibility, much like they would in any other beverage market. Limiting the potency of cannabis drinks restricts those consumers who wish to have a more controlled experience, whether it's for relaxation, therapeutic use, or simply to enjoy cannabis in a social setting.

Maintaining existing potency limits, while still ensuring strict testing and safety standards, will not only encourage innovation but also foster a more competitive, consumer-focused market. We strongly encourage you to reconsider the current potency caps and raise them to levels that allow for a broader range of beverage products, while ensuring all products meet rigorous safety testing.

2. On-Site Consumption Lounge Licenses and the Danger of Backdooring Processing Operations:

Another concern worthy of highlighting is the current proposal of on-site consumption lounge licenses being used as a backdoor method for obtaining processor licenses. While on-site consumption lounges may be an addition to the cannabis landscape, allowing consumers to gather and enjoy cannabis in a safe and legal environment, there are serious public safety risks when consumption lounge operators also gain the ability to process cannabis.

Processing cannabis—especially through methods that involve volatile and highly flammable substances like hydrocarbons—poses significant safety risks. Extraction methods such as butane hash oil (BHO) or other hydrocarbon-based techniques require precise control and adherence to strict safety protocols to avoid catastrophic accidents, including explosions, fires, and chemical exposures. [Dangerous events like this have already occurred in our own state as recent as this month.](#) Allowing consumption lounge operators, who may not be experienced or equipped to handle the risks of extraction and processing, to also be involved in these high-risk activities jeopardizes the safety of both workers, patients, consumers, and the surrounding community.

Moreover, the ability to process cannabis while also running a consumption lounge creates an unlevel playing field for new, independent processors. These new operators—who may be working hard to meet regulatory standards and build relationships with retailers—are forced to compete against businesses that have direct access to consumers through their lounges. This gives those lounge-processor hybrids an unfair advantage, as they can market their products directly to the people consuming them, potentially circumventing the traditional retail channels. This diminishes opportunities for new processors, restricts healthy market competition, and threatens the stability of smaller cannabis businesses that are already operating under significant financial constraints.

The combination of direct consumer access and processing ability could lead to market consolidation where larger players have an unfair edge over smaller businesses, undermining the spirit of the cannabis industry. It is crucial to recognize that while business innovation and growth should be encouraged, this must not come at the expense of safety or fair competition.



We strongly urge the separation of the licensing for consumption lounges from that of processors. If a business wants to enter the cannabis processing space, it should undergo the rigorous safety, operational, and regulatory scrutiny required for processing—separate from the responsibilities and standards of a consumption lounge. This will not only protect public safety but also ensure a level playing field for all businesses, allowing new processors to compete fairly without the added pressure of facing entrenched competitors with built-in consumer bases.

The risks of combining these operations are simply too great, and the negative impact on fair competition in the industry must not be underestimated. Ensuring that processing and lounge operations are distinctly regulated and separated is essential to fostering both a safe and equitable cannabis market.

3. Cannabis Event Vendor Permits and Licensing Flexibility: Finally, we strongly support efforts to allow vendor permits for cannabis events to be accessible to any licensed cannabis business, not just specific license types. This flexibility would encourage a more inclusive and diverse range of participants in cannabis events, from cultivators to retailers, processors, and ancillary businesses. Allowing any licensee to participate, as long as they adhere to the appropriate regulations, ensures that cannabis events are not artificially restricted to a narrow pool of businesses.

Such an approach fosters healthy competition, promotes innovation, and supports small businesses that might otherwise struggle to get involved in larger events. By removing unnecessary restrictions and allowing all licensed cannabis businesses to engage in the event marketplace, we will create a more dynamic and vibrant industry. It will also provide consumers with more variety and more opportunities to connect directly with the producers and brands they trust.

However, we must also address a critical concern regarding penalties for violations of cannabis event regulations. The current penalties for non-compliance are far too low to incentivize proper adherence to the rules, and they risk being seen as a mere cost of doing business. This creates a serious loophole where businesses, especially those with less integrity, may feel encouraged to exploit these lax penalties by bending or even ignoring regulations altogether.

We've seen this happen in other legal cannabis markets, like California & Nevada, where low penalties for violations have contributed to a rise in illicit activity. In some cases, non-compliant operators see fines as a minor expense compared to the profits made from operating outside the law. This undermines the integrity of the entire legal cannabis market, creates unfair competition for those who follow the rules, and compromises public safety.



To prevent this from happening, we urge this legislature to consider revising the penalty structure for violations, making it more stringent and meaningful that reflect the seriousness of non-compliance. As it applies to not only this bill, but also Senate bill 214 and the 2023 Cannabis Reform Act. The negative influence and infiltration of intoxicating hemp products was nowhere near its realization at the time of 2023 Act and today is a nationwide public health and safety crisis with states across the country taking aggressive steps to outlaw and keep adults and children safe. Here in Maryland, we see proliferation of businesses selling these products, in addition to illicit dispensary operations. With clear consequences and measures to ensure future illicit activities are restrained. Only with a robust and enforced penalty system can we ensure that the integrity of the legal market is preserved, and that consumers are protected from unsafe, unregulated products and practices. By aligning penalties with the importance of compliance, we can help curb illicit activity, protect legitimate businesses, and further promote a fair and sustainable cannabis marketplace.

We urge this body to reconsider the current limits on beverage potency, take appropriate action to separate on-site consumption lounges from cannabis processing operations, and allow for greater flexibility in participation at cannabis events while ensuring stringent and meaningful penalties for non-compliance. The overall goal should be to foster a cannabis marketplace that prioritizes safety, consumer choice, and industry innovation while continuing to protect public health and welfare.

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