



Testimony in Support of HB1519
Maryland Wholesale Cannabis Trade Association (CANMD)
March 4, 2026

The Honorable Kris Valderrama
Chair, House Economic Matters Committee
230 House Office Building
Annapolis, MD 21401

Chair Valderrama:

I am writing on behalf of the Maryland Wholesale Cannabis Trade Association (CANMD), an organization that represents licensed cannabis growers and processors. Thank you for the opportunity to offer testimony in support of HB1519 Cannabis - Management Service Agreements, Advertising, and Penalties - Alterations (Cannabis Reform and Opportunity Act).

CanMD supports the reforms to management service agreements (MSAs) presented in HB1519. MSAs proved incredibly successful for the CanMD members who chose to use them. These partnerships allowed them to secure capital and technical expertise, while maintaining control of their businesses. The profit sharing was mutually beneficial, allowing investors to reap returns and owners to become financially sustainable.

Access to capital remains one of the most significant barriers to opening a dispensary. While the Maryland legislature is right to be wary of predatory behavior, the current restrictions are limiting normal business opportunities for the newest Maryland licensees. HB1519 supports the legal Maryland cannabis market by improving access to capital and still protecting Maryland businesses.

HB1519 also contains necessary and long-overdue improvements to advertising restrictions. Advertising is important for Maryland's cannabis licensees, especially when marketing products in dispensaries. Unlicensed sellers of intoxicating products already market themselves aggressively online and in person, unhindered by regulation. Allowing licensees to advertise helps drive consumers to regulated, lab-tested products with accurate labeling and safety disclosures. It also allows licensees – especially at the point of sale at licensed dispensaries - to counter misinformation and unsafe claims commonly found in the illicit, unregulated market.

Licensed cannabis businesses and their staff play an important role in educating the public, customers, patients and caregivers.

Despite legalization having passed four years ago, there are still people who do not know cannabis is available for adult use purchase in Maryland. Additionally, they are unfamiliar with benefits of cannabis for medical use. Allowing for regulated advertising enables licensees to shape consumer understanding and reduce misuse.

Over the past year, licensees have seen increased advertising-related citations and fines over activities and actions that previously have been allowed. As a result, confusion about what is and is not allowed under Maryland's advertising laws and regulations has increased. Even when fines have not actually been issued, questions have been raised such that licensees have become increasingly nervous about advertising for fear that doing so may result in a fine/citation. For that reason, we strongly believe more clarity is required in the law such that licensees know what they can and cannot do. This clarity is also important for the Maryland Cannabis Administration, so that they can enforce the law in a standardized way, consistent with what the General Assembly intends.

Thank you again for considering our input,

Christina Johnson

President, CANMD