



TESTIMONY ON BEHALF OF THE MARYLAND DISPENSARY  
ASSOCIATION (MDDA) AND THE MARYLAND WHOLESALE CANNABIS  
TRADE ASSOCIATION

Senate Bill 594—Cannabis—Advertising--Alterations

**SUPPORT**

Senate Finance Committee

February 26, 2026

The Maryland Medical Dispensary Association (MDMDA) was established in May, 2017 in order to promote the common interests and goals of the Cannabis Dispensaries in Maryland. MDDA advocates for laws, regulations and public policies that foster a healthy, professional and secure cannabis industry in the State. MDDA works on the State and local level to advance the interests of licensed dispensaries as well as to provide a forum for the exchange of information in the Cannabis Industry. CANMD was formed in 2016 to represent Maryland cannabis grower and processor licensees. CANMD has worked with policy makers since the adoption of medical market to develop a responsible cannabis program. We appreciate the opportunity to support Senate Bill 594—Cannabis—Advertising—Alterations.

When the Maryland General Assembly passed legislation legalizing cannabis for adult use, they also included comprehensive advertising restrictions and requirements. In fact, Maryland's restrictions are among the strictest in the country. Advertisements cannot target minors or use imagery appealing to youth. Advertisements must be placed only in media where at least 85 percent of the audience is 21 years of age or older. Websites and social media must include age-verification mechanisms. MDDA and CANMD have worked closely with the General Assembly in previous years during advertising-related discussions, hoping to balance public health and youth protections with the ability of licensees to advertise responsibly.

Advertising is important for Maryland's cannabis licensees, especially at 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, then, 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.

### **Medical and Therapeutic Claims**

We appreciate clarifying language as it relates to medical and therapeutic claims. This language was originally intended to keep licensees from claiming products cure specific ailments or diseases. Product descriptions should, however, include language indicating specific product effects to ensure consumers can make informed choices based on safety and desired experience. In addition, product descriptions should be able to speak to specific cannabinoid or ingredient properties. Again, this is important from a consumer/patient education standpoint. Examples of product descriptions that have been flagged include “fast-acting effects...a refreshingly natural mood enhancer” and “cerebral stimulation with gentle body relaxation; sweet berry aroma jolts creativity.”

### **Signage**

Current statutory language appears to restrict signage outside of a dispensary (or any other licensee) such that the only thing allowed is a sign “for the limited purpose of identifying the business to the public.” This means that a licensee is unable to place a sign outside of their dispensary indicating “woman owned business” or “black owned business.” It also means a dispensary located in a busy shopping center is unable to put an “open” sign out front or, if possible, wayfinding signs to indicate where the dispensary is located. Dispensaries are also unable to include their website or a QR code on their sign.

It is important for businesses to be able identify themselves for customers. Exterior signs help licensees differentiate from competitors, establish brand identity and make the business visible to passersby. Professional, informative, high-quality signage also helps build consumer confidence in the legitimacy and safety of the products, counteracting the stigma associated with the industry, which still exists in some quarters. We understand concerns about excess signage but believe it is possible to strike a balance.

It's worth noting that every licensee's exterior signage (that identifies the business) must comply with local zoning and a local approval process.

### **Appealing to Children**

MDDA and CANMD do not support advertising that is directed to children. Making changes to this specific language in the statute, like on page two, lines 21 and 25, is not an attempt to weaken this prohibition but rather provide clarity for licensees and for those responsible for enforcing the law. "Appealing to children" has proven to be a subjective term that can be applied broadly to capture most anything. For instance, some licensees were warned at the end of last year that they should not decorate for the holidays as doing so would likely be deemed "appealing to children" and, therefore, subject to fines. Licensees have also been warned of signage *inside* of their dispensaries if it can be seen through a window from outside, where a child could be walking by, look inside and see it. Understanding it is difficult to account for every situation and address it in statute, we would respectfully request consideration of language that draws a bit of a brighter line here. Absent explicit language or direction, an argument can be made that anything can be considered "appealing to children."

### **Events and Print Media**

In order to participate in an event or advertise in print media, a licensee must be able to demonstrate that over 85 percent of event attendees/audience composition is 21 years of age or older. The statute says audience composition can be verified with "current audience composition data." Licensees have tried to comply with the statute by filling out the "Audience Data Submission Form" and providing supporting information. Because of the word "current" in statute, it has been determined that information from previous years is not sufficient to help demonstrate audience composition. Some licensees have used third-party professional consultants to help prove audience composition—especially when it comes to audience composition for print media. We also recommend that the language on page 5, lines 5-9, be amended to make clear that the restriction is on paid commercial advertising.

We appreciate the General Assembly's continued attention to Maryland's evolving cannabis industry and appreciate the opportunity to provide comments on Senate Bill 594. Clear, workable advertising standards are essential not only for protecting public health and preventing youth exposure, but also for ensuring that licensees, including new social equity licensees, can operate transparently, responsibly, and competitively in a regulated marketplace. We believe clarifications are important to ensure consistent, standardized enforcement, support consumer education, and help steer Marylanders toward safe, lab-tested products rather than the illicit market or shops selling unregulated, intoxicating products. We look forward to continuing to work collaboratively with you to strengthen the regulatory framework and support a stable, equitable, and well-functioning cannabis industry in Maryland.