

## Maryland Tax And Regulate Bill Summary

### The bill would allow adults 21+ to:

- Possess up to an ounce of marijuana
- Possess up to five grams of hash, 16 ounces of marijuana infused in solid form, or 72 ounces of marijuana infused in liquid form
- Grow up to six plants (three of which could be mature) and possess all of the marijuana produced by those plants
- Give away up to an ounce to other adults and/or up to three seedlings
- Possess, produce, and sell paraphernalia
- Sell marijuana seeds to marijuana cultivation facilities
- Grow at the same location as up to four other adults

### Allows for four kinds of registered, regulated marijuana businesses:

- Retailers
- Marijuana cultivation facilities
- Marijuana product manufacturers (which could produce foods, salves, and other products infused with marijuana)
- “Safety compliance facilities” (labs)

#### **Retailers**

- Would be allowed to sell up to an ounce of marijuana to adults 21 and older
- Could not also sell alcohol for on-premises consumption
- Application fees: up to \$5,000; initial fee \$10,000; annual renewal fee \$5,000
- One would be registered per every 20,000 residents per county, with a minimum of two per county. Counties and cities could further restrict the number as long as they did not de facto ban retailers.
- If more applicants apply than are allowed, the comptroller would consider things like expertise, security plan, regulatory issues, and location.

#### **Marijuana cultivation facilities**

- Would cultivate marijuana in secure facilities that only adults could enter
- Application fees: up to \$5,000; initial fee \$10,000; annual renewal fee \$5,000
- At least 100 would be registered

#### **Marijuana product manufacturers**

- Would produce products infused with marijuana, such as foods and drinks
- Application fees: up to \$5,000; initial fee \$5,000; annual renewal fee \$5,000

#### **Safety compliance facilities**

- Would test marijuana for potency and contaminants
- \$5,000 application fee; \$5,000 renewal fee every two years
- At least 10 would be allowed initially

### **Specific rules for marijuana businesses in the law**

- School buffer: 1,000-foot buffer for all of the business types
- Safety insert: Inserts with the marijuana would include dangers and recognizing problem use
- Labels: Would include THC percent, produced-on dates, and a warning about driving and kids
- Transportation documentation is required for businesses
- Cannot allow people under 21 to enter (with exceptions, such as for law enforcement personnel)
- The comptroller may suspend/void registrations for multiple/serious violations.

### **Local regulation**

- Localities could regulate time, place, and manner and could restrict the number.
- Localities would have the opportunity to provide feedback on licensing, which should be given substantial weight.

### **The comptroller would set rules, including:**

- Application and tax collection procedures
- The content of reports to be completed and procedures for audits and inspections
- Safety label requirements
- Security requirements
- Environmental controls, including on pesticides
- Restrictions on advertising, while complying with the First Amendment
- Labeling, packaging, and educational requirements for edible products

### **Expungement**

- All Maryland agencies with records pertaining to marijuana arrests and convictions must delete such records.

### **Penalties for minors**

- Marijuana use and possession would remain illegal for those under 21.
- Courts may order the minor to participate in a drug or alcohol education program, or impose a civil fine of up to \$100.

### **Restrictions on personal grows (penalty up to 10 days, up to \$1,000 fine)**

- Must be cultivated on one's own property or with the consent of owner
- If grown outdoors, marijuana cannot be visible to others and must be in a fenced-in area.
- Must take reasonable precautions to keep plants away from those under 21

### **Minority Business Enterprise**

- Licensing under this law is subject to the Minority Business Enterprise Program.

### **Criminal history**

- Persons previously convicted of a non-violent marijuana-related offense are not barred from obtaining a license to operate a marijuana business.

### **Prohibits smoking marijuana in public**

- Smoking in public is punishable by a fine of up to \$100.

### **Creates penalties for using a false ID to buy marijuana**

- The penalty would be up to a \$250 fine and/or up to 10 days in jail.

### **Defense for unintentionally selling to a person with a fake ID**

- As long as a retailer checked ID and reasonably believed the ID was valid, and the person presenting it was the person on the ID, there is an affirmative defense available for retailers unwittingly selling to minors.

### **Taxation**

- \$50/ounce tax at wholesale level, adjusted for inflation/deflation
- The first \$5 million in revenue would go to treatment and education.

### **Allows the cultivation of industrial hemp**

- The Department of Agriculture would be responsible for regulating industrial hemp.

### **What is not allowed**

- Driving under the influence laws would be unchanged
- Marijuana would not be allowed in prisons and jails
- Landlords would not have to allow cultivation or smoking of marijuana
- Employers would not have to allow marijuana use at work or allow people to work under the influence of marijuana

### **Creates an oversight commission**

- The members of the commission would include a delegate, a senator, a physician, an economist, the comptroller, a safety compliance board member, a sociologist, an individual with experience in marijuana policy, a First Amendment attorney, a researcher, and a criminal justice expert.
- The commission's duties would include making recommendations for regulations, recommending the contents of warning labels and safety inserts, proposing restrictions on advertising, and researching driving under the influence.