



Press Release: Maryland to Consider Regulating Cannabis Like Alcohol



For Immediate Release

Monday, January 30, 2017

Contact

Kate Bell, Marijuana Policy Project

[443-986-1914](tel:443-986-1914), kbell@mpp.org

Maryland Legislature to Consider Regulating and Taxing Cannabis Similarly to Alcohol

Senate and House bill sponsors will roll out the legislation at a news conference TODAY at 1 p.m. in the House Office Building (Room 180)

**** Bill details and statements below from Sen. Richard S. Madaleno Jr., Sen. William C. Smith Jr., Del. David Moon, and Del. Mary Washington ****

ANNAPOLIS, Md. — State lawmakers are rolling out legislation Monday that would regulate and tax cannabis similarly to alcohol in Maryland. Senate and House bill sponsors will discuss the details of the proposal at a news conference today at 1 p.m. ET in the Lowe House of Delegates Office Building (Room 180).

The proposal consists of two bills — a regulation bill and a tax bill — that will each be filed in the Senate and the House. The regulation bill, sponsored by Sen. Richard S. Madaleno Jr. (D-Montgomery) and Del. Curt Anderson (D-Baltimore City), would make possession and home cultivation of limited amounts of cannabis legal for adults 21 years of age and older. It would remain illegal to consume cannabis in public or drive under the influence. Prior convictions for adults 21 and older possessing or growing amounts of cannabis made lawful by the bill would be expunged.

The bill would also create a structure for licensing and regulating a limited number of cannabis retail stores, product manufacturers, testing facilities, cultivation facilities, and craft cultivators (that would

grow smaller amounts of cannabis to sell only to cultivation facilities and product manufacturers). The Comptroller of Maryland would be responsible for issuing licenses and creating rules, and the Department of Agriculture would be responsible for licensing and regulating the cultivation of industrial hemp. Cities and towns would have the authority to limit the location and number of cannabis establishments within their jurisdictions, as well as ban certain types of businesses.

The tax bill, sponsored by Madaleno in the Senate and Del. Mary Washington (D-Baltimore City) in the House, would create a structure for taxing cannabis and allocating the revenue. It would initially enact an excise tax of \$30 per ounce, which would generally be paid by cultivators, and a 9% sales tax on retail cannabis sales, which is the same as the sales tax rate on alcohol. Cannabis tax revenue would be used to cover the cost of administering the program, and then the remaining revenue would be allocated as follows: 50% for the community schools program; 25% for substance abuse treatment and prevention; 15% for workforce development programs; and 10% for combating impaired driving through public education and additional law enforcement training.

The legislation addresses concerns that have been raised about the licensing process for medical cannabis businesses. Specifically, it provides opportunities for small businesses, ensures the licensing process is subject to the Minority Business Enterprise Program, and requires outreach to diverse communities to ensure they are aware of new business opportunities. It also contains strong provisions aimed at protecting public health and safety, such as mandatory product testing and labeling; restrictions on advertising and marketing; and rules limiting edible products to a single serving of THC and requiring opaque, child-resistant packaging. Neither of the bills would affect the rights of patients under Maryland's existing medical cannabis program, and taxes would only be applied to nonmedical cannabis.

Sixty-four percent of likely Maryland voters support making cannabis legal for adults, according to a Washington Post-University of Maryland poll conducted in September 2016.

Statement from Sen. Richard S. Madaleno Jr., vice-chair of the Senate Budget and Tax Committee and sponsor of the regulation and tax bills:

"This legislation will effectively end the failed policy of cannabis prohibition in Maryland and replace it with a much more sensible system. It establishes a thoughtful regulatory scheme and tax structure based on best practices and lessons learned from other states. Colorado and other states are raising millions of dollars in new revenue each month and creating thousands of good jobs. Maryland is not only missing out on the benefits, but enduring the many problems associated with prohibition."

Statement from Sen. William C. Smith, primary co-sponsor of the regulation bill in the Senate:

"African Americans are far more likely to be the subject of marijuana enforcement than other Marylanders. Decriminalization reduces the number of Marylanders who are branded criminals, but it does not change the fact that marijuana laws are not enforced equally, and that people of color are disproportionately punished. Decriminalization also does nothing to stop the public safety issues that arise when a lucrative market is driven underground. It's time to put marijuana sales behind the counter, and to let adults make their own decisions about using a substance that is safer than alcohol."

Statement from Del. Mary Washington, sponsor of the tax bill in the House:

“Tax revenue from cannabis sales will generate much-needed funds for our state. Our tax bill will allocate half of the revenues from cannabis taxes to the community schools program, which benefits high-poverty schools across Maryland. It will also provide funding for treatment services that are needed to address our state’s battle with opioid addiction.”

Statement from Del. Moon, a co-sponsor of the regulation and tax bills:

“A strong and growing majority of Marylanders support ending cannabis prohibition. Rather than lagging behind our constituents, we need to get behind them and pass this legislation this year. Several states are now effectively regulating and taxing cannabis, and it is time for Maryland to join them.”

#

The Maryland Cannabis Policy Coalition is a coalition of citizens and organizations committed to ending the failed policy of cannabis prohibition and replacing it with a system in which cannabis is regulated and taxed similarly to alcohol. For more information, visit <http://www.MarylandCannabisPolicy.org>.