



## **GROWER AND PROCESSOR APPLICATION Q&As – Round #1**

### **Application Timeline**

**Question.** When will the grower and processor Applications become available and be evaluated?

**Answer.** The Maryland Medical Cannabis Commission posted a draft of the new grower and processor Applications, general instructions, and Application guidance materials entitled *Diversity and Socioeconomic Factors Guidance* and *Economically Disadvantaged Areas Guidance* on its website at <https://mmcc.maryland.gov/Pages/License-Application.aspx>. The Commission will receive public questions on the Applications from stakeholders and interested members of the public for 30 days after posting until February 11, 2019 at 5:00 pm. Questions must be submitted via email to [Applications.MMCC@maryland.gov](mailto:Applications.MMCC@maryland.gov).

The Commission will review all public questions for potential revisions prior to finalizing the Application which will be released on March 1, 2019 (anticipated). The proposed Application timeline is:

- Application Period: March 1 – April 30, 2019 (60 days)
- Evaluation Period: May 1 – June 30, 2019 (60 days)

Note: The proposed Application timeline may be subject to change.

### **License Availability**

**Question.** Which licenses will become available during the next medical cannabis licensing round?

**Answer.** There will be up to four new grower licenses and up to 10 new processor licenses awarded as part of the upcoming application period. No additional dispensary licenses will be issued during the upcoming application period.

### **Communication with MMCC**

**Question.** In what manner will the Commission respond to a question or comment on the Application?

**Answer.** The Commission will respond to each question sent to [Applications.MMCC@maryland.gov](mailto:Applications.MMCC@maryland.gov). Responses to substantive questions will be posted on the MMCC website each Friday, beginning in January 2019. Questions submitted any other way will not be answered. Questions after the 30-day comment period (ending on February 11 at 5:00 pm), including any questions received during the application period of March 1 – April 30, will only be answered if MMCC determines it would benefit all Applicants.

## **Emergency Regulations**

**Question.** Will the new grower and processor Applications be written using the regulations promulgated by the Commission which became effective on September 14, 2015 and are found in the Natalie LaPrade Medical Cannabis Commission regulations in COMAR Title 10, Subtitle 62?

**Answer.** The Applications are based on the Commission's regulations in COMAR Title 10, Subtitle 62. However, the original regulations promulgated in 2015 have since been amended, effective November 13, 2018. As such, the new Applications will be based upon the same regulations with the exception of the 15 points for Additional Factors set forth under COMAR 10.62.08.05I(6) (growers) and COMAR 10.62.19.04I(6) (processors). The previous provisions were deleted and instead the 15 points out of 100 points on the new Application will be based on three overarching categories: (1) Diversity Plan (5 points), 2) Disadvantaged Equity Applicants (5 points), and 3) Economically Disadvantaged Applicants (5 points). A copy of the current regulations may be viewed at the Division of State Documents website: <http://www.dsd.state.md.us/COMAR/searchall.aspx>.

## **Residency**

**Question.** What are the residency requirements for the grower and processor Applicants and their owners and investors?

**Answer.** There is no Maryland residency requirement for grower and processor Applicants and their owners and investors. However, all grower and processor facilities must be located in Maryland. In addition, pursuant to COMAR 10.62.08.05I(6)(e) and COMAR 10.62.19.04I(6)(e). Applicants must demonstrate that owners, employees, and/or contractors live in certain geographic areas within the State in order to receive points under the new Economically Disadvantaged Areas question.

## **Submission Format**

**Question.** Will the Application be completed using the same electronic format that was used during the 2015 Application round and will submission of a paper copy be required?

**Answer.** Applicants are required to submit the Application package through the Commission's online document management system which is located at [URL TBA]. The Applicant must create a user name and password to access the Application through an online portal. The Application is a fillable pdf which can be saved as the Applicant continues to develop Application responses and upload attachments during the Application period. Once completed, the Applicant must upload the completed Application into the document management system. The document management system is a cloud-based system that will provide the Applicant with instructions and prompts on how to submit the Application. The system includes a Compliance Checklist with three safeguards to assist Applicants with proper submission. There will be no requirement for delivery and submission of a paper copy of the Application.

## **Economically Disadvantaged Areas**

**Question.** Please clarify the meaning of "Economically Disadvantaged Area." Is there a list of the areas or a map that identifies all of the areas that meet the definition the Economically Disadvantaged Areas?

**Answer.** The Commission evaluated geographic areas across 5 socioeconomic standards of measurement: 1) median income, 2) unemployment rate, 3) health insurance rate, 4) Supplemental Nutrition Assistance Plan (SNAP) rate, and 5) poverty rate. To qualify, geographic areas must meet 3 or more of the criteria.

The Commission evaluated each socioeconomic metric using the American Community Survey (ACS), which is an ongoing, nationwide survey conducted by the U.S. Census Bureau. Analyzing the 2012-2016 ACS socioeconomic data, the Commission identified sixty-one (61) zip code tabulation areas (ZCTAs) that qualify as EDAs. The ZCTA is a generalized areal representation of the United States Postal Service (U.S.P.S.) ZIP Code service areas developed by the U.S. Census Bureau. In most instances the ZCTA code is the same as the U.S.P.S. ZIP Code for an area; *however, a ZCTA code may be different from a U.S.P.S. Zip Code.* Therefore, to determine if an address is located in an EDA, an Applicant **MUST**:

1. Visit the U.S. Census Bureau Fact Finder web page: <https://bit.ly/2JCmR0B>
2. Enter street address.
3. Compare ZCTA listed to the chart of qualifying ZCTAs listed on page 2 of the *Guidance for Identifying Economically Disadvantaged Areas* document posted on the Commission's website.

Currently, the Commission has not developed a map that identifies all of the areas that meet the definition of EDAs. Please see the U.S. Census Bureau website at: <https://www.census.gov/geo/reference/zctas.html> for additional information.

**Question.** For determining whether a potential contractor lives in an Economically Disadvantaged Area, does this apply to: (1) where owner lives, or (2) where majority of employees live.

**Answer.** This requirement is solely tied to where the owner of the business lives. Please see Section IV(A) (Page 12) of the *Guidance for the Diversity and Socioeconomic Equity Questions* for more information.

### **Geographic Diversity.**

**Question.** Will geographic diversity be taken into consideration so that licenses will be spread across Maryland and its counties?

**Answer.** The Commission continues to actively seek geographic diversity in the award of licenses; however, the proposed location of a grower or processor facility will not be considered as part of the competitive evaluation of the Application.

### **Classes and Workshops**

**Question.** Are any upcoming licensing Application workshops/courses scheduled at this time?

**Answer.** Yes. The schedule of the upcoming workshops convened by Commission-funded grantees (UMED/UMES/CCI; Uplift Maryland, LLC; and Grand Journey Solutions, LLC) are posted on the Commission's website under the link entitled "Register for Medical Cannabis Educational and Business Development Training Programs." Further, the Commission will conduct workshops on the licensing Application that includes training on the Application's diversity factors. The Commission has two upcoming trainings:

February 6th from 6:30 pm - 8:30 pm (Morgan State University, Murphy Fine Arts Center (in its Recital Hall), 2201 Argonne Dr., Baltimore, MD 21218.)

February 19, from 6:30 pm - 8:30 pm (location, tbd)

Please check the Commission's website for updates on the locations of its trainings.

## **Resources**

**Question.** Are there any digital presentations the Commission can provide as it relates to establishing a medical cannabis business.

**Answer.** The Commission recommends that interested individuals access online materials from one of our Commission-funded medical cannabis educational and business development training programs and the Commission's outreach events posted on the MMCC website. Other resources include:

- The Maryland Wholesale Medical Cannabis Trade Association (CANMD) provides education and advocacy around medical cannabis and also facilitates connections among businesses operating within Maryland's cannabis industry ([www.canmd.org](http://www.canmd.org))
- Maryland Cannabis Industry Association (MDCIA) is a trade association advocating for policies that foster a well-functioning medical cannabis industry and advance the interests of future growers, processors, and dispensaries ([www.mdcia.org](http://www.mdcia.org)).

## **Training Grant**

**Question.** If an Applicant participated in developing and/or implementing a medical cannabis educational and business development training grant program funded by the Commission, does that mean the Applicant is automatically disqualified from applying for and being issued a medical cannabis grower or processor license?

**Answer.** No. An interested and qualified individual may develop and/or implement a medical cannabis and business development training grant program funded by the Commission and apply for and be issued (if qualified and selected) a medical cannabis grower or processor license in the next round of licensing. However, one of the circumstances that will trigger a mandatory denial or disqualification of an Application is if the Application discloses that the Applicant participated in developing or implementing a medical cannabis educational and business development training grant issued by the Commission. (See page 9 of the draft grower and processor Application general instructions under the link entitled "Application Guidance.") This provision simply means that on the actual licensing Application, the Applicant must not disclose his or her involvement in developing and/or implementing an MMCC training grant. The purpose of nondisclosure on the Application is to better ensure that the Application stands on its own merit and that a licensing Application evaluator is not influenced by the Applicant's nexus to the Commission in carrying out the training grant.