



**CANNABIS LICENSE APPLICATION
GENERAL INSTRUCTIONS**

October 2023

I. OVERVIEW

A. INTRODUCTION

The Maryland Cannabis Administration (“Administration” or “MCA”) is accepting applications from qualified applicants interested in receiving a cannabis license.

Pursuant to the Alcoholic Beverages and Cannabis Article §§36-401 et seq., Annotated Code of Maryland, and the Code of Maryland Regulations (COMAR) Title 14, Subtitle 17, the Administration is responsible for licensing cannabis growers, processors, and dispensaries in the State. Information on each license type available is defined below. For more information, please review COMAR 14.17, which can be found on the [Administration](#) website and on the [Division of State Documents](#) website.

The Administration intends that Maryland’s medical and adult-use cannabis program will operate in accordance with the Alcoholic Beverages and Cannabis Article §§36-101, et.seq., and COMAR 14.17, and that the program yields an equitable, safe, and accessible medical and adult-use cannabis industry in the State.

On September 8th, the MCA announced the following number of licenses available in the State:

- 75 Standard Dispensary Licenses - Distributed by County
- 8 Micro Dispensary License - Two (2) in each of the four regions
- 16 Standard Growers - Four (4) in each of the four regions
- 32 Standard Processors - Eight (8) in each of the four regions
- 24 Micro Growers - Six (6) in each of the four regions
- 24 Micro Processors - Six (6) in each of the four regions

The entire application announcement may be found here: **MCA Application Announcement** ([English](#) | [Spanish](#))

Additionally, the first round application submissions for all license types are limited to social equity applicants only, meaning 65% or greater ownership of the proposed entity is held by a verified social equity applicant.

The MCA will administer the application and license award process in accordance with Alcoholic Beverages and Cannabis Article §36-401, et. seq., Annotated Code of Maryland.

An applicant, including any owner or investor of the applicant, or individual or entity with control of an applicant, may apply for only one license type per licensing round. An applicant may only be included on a maximum of two applications across all license categories in any licensing round.

B. FEES

Each applicant must submit an application fee via credit card or automated clearing house (ACH) transfer at the time of application submission. The fees are as follows:

- \$5,000 for standard cannabis license applicants
- \$1,000 for micro cannabis license applicants

Payment must be received by the Administration at the time of application submission. The MCA has contracted with a third-party payment processor to allow for the collection of application fees within the application itself via ACH or credit card. The application fee is nonrefundable. For further information about application and license fees, refer to the fee schedule in COMAR 14.17.21.

C. TERMS AND DEFINITIONS

Please refer to COMAR 14.17.01.01 entitled “Definitions,” which applies to the terms used in this license application. In addition, for the purposes of this application, the following terms and definitions will be used.

TERM	DEFINITION
Administration	The Maryland Cannabis Administration established under Alcoholic Beverages and Cannabis Article, §36-201, Annotated Code of Maryland.
Annotated Code of Maryland	Maryland’s statutory law created by the Maryland General Assembly.
Business Entity	Any entity registered with the State Department of Assessments and Taxation to do business in the State of Maryland.
Code of Maryland Regulations (“COMAR”)	Administrative regulations issued by Maryland State agencies and their associated boards and commissions.
Conditional License	A temporary preapproval for a cannabis license is issued pending satisfactory completion of the requirements for licensing under COMAR 14.17.05.
Control	The decision-making authority over the management, operations, or policies that either guide a business or guide authority over the operation of the technical aspects of a business; OR authority over the operation of the technical aspects of the business. “Control” includes: (i) Holding a right to veto significant events; (ii) The right or authority to make or veto decisions regarding operations and strategic planning, capital allocations, acquisitions, and divestments; (iii) The right or authority to appoint or remove directors, corporate-level officers, or their equivalent; (iv) The right or authority to make major marketing, production, and financial decisions; and (v) The right or authority to execute exclusive contracts or significant contracts in the aggregate of \$10,000 or greater on behalf of the licensee.
Dispensary	An entity licensed under this title that acquires, possesses, repackages, transports, sells, distributes, or dispenses cannabis or cannabis products, including tinctures, aerosols, oils, and ointments, related supplies, and educational materials for use by qualifying patients, caregivers, or consumers through a storefront or through a delivery service, based on license type. “Dispensary” includes standard and micro license types.

Disproportionately Impacted Area	A geographic area identified by the Office of Social Equity that has had above 150 percent of the State’s 10-year average for cannabis possession charges. Disproportionately impacted areas may include out-of-state areas submitted to MCA that demonstrate the suggested area meets the State’s definition.
Diversity Plan	<p>A detailed written plan, including objectives, timetables, and evaluation metrics that describes the steps an applicant will take to ensure that the applicant’s business will promote the meaningful inclusion of diverse groups.</p> <p>For the purposes of this application, “Diversity” may include, but is not limited to, diversity based on ethnicity, gender, gender identity, race, sexual orientation, socioeconomic status, religion, disability status, and veteran status.</p> <p>In determining whether an application’s Diversity Plan meets the minimum qualifications to be entered into the lottery, the MCA will consider any type of diverse group where an applicant can demonstrate that the group has been disadvantaged, or underrepresented in the cannabis industry and, therefore, inclusion of the individuals from such group as participants in the Diversity Plan would be beneficial</p>
Entity	<p>Any group, organization, association, or trust that has legal capacity to (1) enter into agreements or contracts, (2) assume obligations, (3) incur and pay debts, (4) sue and be sued in its own right, and (5) to be accountable for illegal activities.</p> <p>“Entity” includes “Business Entity” as defined above.</p>
Grower	<p>An entity licensed under Alcoholic Beverages and Cannabis Article, §36-401, Annotated Code of Maryland, that cultivates or packages cannabis and is authorized by the Administration to provide cannabis to other licensees and registered independent testing laboratories.</p> <p>“Grower” includes standard and micro license types.</p>
Independent Testing Laboratory	A facility, an entity, or a site registered by the Administration that offers or performs tests related to the inspection and testing of medical cannabis and products containing medical cannabis in the State.
Micro License	A license to operate a cannabis business that does not exceed the limits established in Alcoholic Beverages and Cannabis Article, §36-401(c)(2), Annotated Code of Maryland.
Ownership Interest	A direct or indirect equity interest in a cannabis licensee, including in its shares or stock.
Principal Officer	<p>A board member, a president, a vice president, a secretary, a treasurer, a partner, an officer, a managing member, or any other individual with a profit sharing, financial interest, or revenue sharing arrangement, including an individual with the authority to control a cannabis license.</p> <p><i>Note: Ability to select, hire, remove, or replace principal officers constitutes “Control” as defined above.</i></p>
Processor	(a) “Processor” means an entity licensed by the Administration in accordance with Alcoholic Beverages and Cannabis Article, §36-401, Annotated Code of Maryland, that: (i) Transforms cannabis into another product, or an extract, and packages and labels the cannabis product; and (ii) Is authorized by the Administration to provide cannabis to licensed dispensaries and registered independent testing laboratories.

	“Processor” includes standard and micro license types.
Redacted	Edited to conceal or remove information.
State	The State of Maryland.
Social Equity Applicant	An applicant for a cannabis license or cannabis registration that: (a) Has at least 65 percent ownership and control held by one or more individuals who: (i) Have lived in a disproportionately impacted area for at least 5 of the 10 years immediately preceding the submission of the application; (ii) Attended a public school in a disproportionately impacted area for at least 5 years; or (iii) For at least 2 years, attended a 4-year institution of higher education in the State where at least 40 percent of the individuals who attend the institution of higher education are eligible for a Pell Grant; or (b) Meets any other criteria established by the Administration..
Standard License	A license to operate a cannabis business that complies with the limits established in Alcoholic Beverages and Cannabis Article, §36-401(c)(1), Annotated Code of Maryland.

D. APPLICATION & LICENSING TIMELINE

The following represents the anticipated timeline for this project.

TASK	DATE/TIME
Public notice of Social Equity Verification Period	September 1, 2023
Public Notice of 30 day application period	September 8, 2023
Application evaluation posted on MCA website	October 13, 2023
Application period	November 13 - December 12, 2023

Lottery. Any applicant who meets the minimum qualifications is placed into a pool according to license type and geographic area. For standard dispensaries, a separate lottery will be conducted for each county (including Baltimore City). For standard and micro growers and processors, and micro dispensaries, a separate lottery will be conducted for each region. See the MCA website [here](#) for the breakdown of licenses by county and region. Prior to awarding a conditional license, MCA may verify any application information, including ownership and control. The lottery will be performed for each applicant pool. All lotteries will be conducted with the assistance of the Maryland State Lottery & Gaming Control Agency, which will draw random numbers to select the winners in each application pool.

Conditional License Period: Applicants selected in the lottery may receive a conditional license, which is valid for 18 months beginning from the day of award of the conditional license. During the conditional license period, the MCA will verify all information provided in the application, including ownership and control; conduct health, safety, and security inspections;

and complete any other necessary investigation of the prospective licensee. Meanwhile, a business must complete the following steps:

- Complete a supplemental license application that includes criminal history and financial background investigation on all owners and investors;
- Identify a physical location and establish legal control of the premises;
- Gain zoning or planning approval from a political subdivision, if applicable;
- Pass all health, safety, and security inspections;
- Update registration information with the State Department of Assessment and Taxation, if applicable;
- Obtain additional funding through grants, loans, or additional investors, if applicable.

Criminal History: The Cannabis Reform Act establishes that an application may be denied if an applicant “has been convicted of, or pleaded nolo contendere to a crime involving moral turpitude...”. For the purposes of this application, crimes of moral turpitude that may be grounds for the denial of an application are ones of dishonesty and include, but are not limited to, felony convictions of:

- Burglary
- Embezzlement
- False Pretense
- Fraud
- Forgery
- Perjury
- Robbery
- Theft
- Treason

Murder and attempted murder are also crimes of moral turpitude for purposes of this application.

Cannabis-based offenses that occurred prior to July 1, 2023 *may not* be grounds for denial of an application or registration.

During a conditional license period, a conditional licensee may not:

- Engage in purchasing, possessing, cultivating, manufacturing, or selling cannabis or cannabis products;
- Make any transfer of an ownership interest that causes a change in the individual or entity that holds a controlling ownership interest;
- Make any transfer of control; and
- Make any transfer of an ownership interest that causes the conditional licensee to no longer comply with the social equity applicant definition.

Final Approval. The Administration’s decision whether to award or deny a license to a conditional licensee is final.

II. PREPARING AND SUBMITTING YOUR APPLICATION

A. HOW TO APPLY

All applicants are expected to become familiar with the laws and regulations governing the Maryland medical and adult-use cannabis program under Alcoholic Beverages and Cannabis Article §§36-101 et seq., Annotated Code of Maryland, and the Code of Maryland Regulations (COMAR) Title 14, Subtitle 17, with an emphasis on the provisions governing licensing and operations.

B. GENERAL APPLICATION INSTRUCTIONS

A complete application submission includes:

1. A five thousand dollar (\$5,000) or one thousand dollar (\$1,000) non-refundable application fee, depending on the license type.
2. A certificate of Good Standing from the State Department of Assessments and Taxation for the prospective business to be operating the license.
3. Redacted **and** unredacted copies of the following required components¹:
 - A detailed operational plan for the safe, secure, and effective cultivation, manufacture, or dispensing of cannabis
 - A business plan demonstrating a likelihood of success and sufficient business ability and experience on the part of the applicant, and providing for appropriate working conditions; and
 - A detailed diversity plan.
4. A completed report by the State's 3rd party social equity applicant verification vendor demonstrating the applicant meets the requirements for a social equity applicant established under Alcoholic Beverages and Cannabis Article §36-101, Annotated Code of Maryland.
5. A capitalization table for the prospective licensee, **including** any other entity associated with any ownership share of the license. (*Note: Capitalization Tables must be submitted in the form prescribed by the Administration and all equity in the prospective licensee must total 100%*)

C. SUBMITTING THE APPLICATION

Applicants are required to submit the application through the State's online application portal, Maryland OneStop. The online system for application submission will provide the applicant with ongoing instructions and prompts to guide the applicant through the entire process of submitting

¹ Note: Application submissions must use MCA provided templates. Redacted copies should be provided as one single document to be uploaded together.

the application and uploading attachments. The system requires specified questions to be completed and required attachments to be uploaded in order for an applicant to proceed to submit.

D. PRINCIPAL ATTESTATION

The Administration is requiring an applicant to attest in the application portal that the applicant meets the requirements for award established in Alcoholic Beverages and Cannabis Article, Title 36, Subtitle 4, Annotated Code of Maryland. This attestation extends to any individuals or entities associated with ownership interest in the application.

This attestation also includes a consent for investigation that irrevocably gives consent to the Administration and persons authorized by the Administration to:

1. Verify all information provided in the application documents; and
2. Conduct a background investigation of the individual(s).

E. COMMUNICATION WITH MCA

The MCA has published Frequently Asked Questions pertaining to the application on its website, here: [Application FAQ's](#)

Prior to the application period, general questions pertaining to applicant eligibility, required documentation, and other next steps may be directed to mca.applications@maryland.gov. During this time, the MCA will update the Frequently Asked Questions regularly for the benefit of all applicants.

During the application period (November 13–December 12, 2023), technical questions pertaining to the submission of the application may be directed to mca.applications@maryland.gov. However, please allow at least 1 business day for a response. Questions raised within 24 hours of the application submission deadline may not be answered prior to the application deadline.

All questions must be sent to the Administration email address specified above only. Questions submitted any other way may not be answered. **The MCA will not provide additional guidance regarding the writing, preparation, or composition of an individual's application.**

The Office of Social Equity will be hosting application writing sessions. More information on attending these sessions may be found on the Office of Social Equity's website or by emailing info.ose@maryland.gov.

III. CONSENT TO INVESTIGATION AND BACKGROUND CHECKS

By submitting an application, a licensee consents to all criminal and financial background checks required by COMAR 14.17.05.04B. A licensee will be required to:

- Undergo criminal history records check in accordance with Alcoholic Beverages and Cannabis Article, §36-505, Annotated Code of Maryland;
- Complete a financial background investigation conducted by the Administration;
- Disclose any adverse action taken against a professional or business license held in any jurisdiction by the applicant or any individual or entity holding an ownership interest in the applicant;
- Waive any contractual, statutory, or common law obligation of confidentiality and authorize any government agency in any jurisdiction to release to the Administration all information the conditional licensee has provided to any other jurisdiction while seeking a cannabis-related license in that other jurisdiction; and
- Release all financial institutions, fiduciaries, and other parties from any contractual, statutory, or common law obligation of confidentiality to provide financial, personal and background information relevant to the conditional licensee's capacity to manage a licensed facility.

IV. AFTER YOU SUBMIT YOUR APPLICATION

The MCA will notify applicants of whether their application met the minimum requirements for licensing. An applicant whose application does not meet the minimum requirements will be notified prior to the lottery, and will have ten days to request a records review as established in COMAR 14.17.05.07A.

A records review shall consist of an opportunity for the applicant to examine the applicant's records received by the Administration and verify the basis on which the application was deemed ineligible for the lottery.

No applicant may gain access to records submitted by any other applicant through the records review process.

V. DENIAL OR DISQUALIFICATION OF APPLICATION

An applicant must submit a complete application, including all attachments and the application fee, by the established deadline. As provided in COMAR 14.17.05.03E, the Administration may deny or disqualify an application that:

- Is not complete in every material detail;
- Contains a material misstatement, omission, misrepresentation, or untruth;
- Does not meet minimum qualifications for the lottery; or
- Is not submitted by the established deadline of **5PM Eastern Standard Time on December 12th**.

Additionally, in accordance with Alcoholic Beverages and Cannabis Article, §36-404(b)(3), Annotated Code of Maryland, individuals are prohibited from submitting:

- More than one application for the same license *regardless of the region or jurisdiction*; or
- More than two applications across all license categories in any given round.

Any application that is found to be in violation of the above will be removed from consideration.

This provision applies to any individual or entity holding an ownership interest or control of the applicant, regardless of the ownership percentage allotted in a respective application.

VI. IMPORTANT NOTICES & DISCLAIMERS

The following applies to each application submitted to the Administration:

1. The application templates provided is an **OFFICIAL DOCUMENT** of the Administration. It **MAY NOT** be altered or changed in any fashion except to fill-in the areas provided with the information that is required. Should any alteration or revision of a question occur, the Administration reserves the right to deny the application in its entirety.
2. All notices regarding application submission will be sent to the email address provided for the Primary Contact. Information about the application will not be released except to this email address.
3. A license to operate a cannabis business is a privilege.
4. At all times and in all instances, the burden of proving an applicant's qualifications rests on the applicant.
5. An applicant who applies for and obtains a license from the Administration will be required to submit to announced and unannounced inspections as stated in the law or regulation.
6. All submissions with and for this application become the property of the Administration and will not be returned.

VII. DISCLOSURE OF APPLICATION INFORMATION

MARYLAND PUBLIC INFORMATION ACT - TRADE SECRETS & CONFIDENTIAL FINANCIAL DATA

All materials submitted in response to this application will be retained by the Administration. All pages containing confidential information must be marked "Confidential" and the confidential provisions must be redacted.

Data submitted during the application process, including private data on individuals or nonpublic data, may or may not be disclosed pursuant to the Maryland Public Information Act ("PIA"). General Provisions Article, §§4-101, et. seq., Annotated Code of Maryland. While there are exceptions to production contained in the PIA statute, and certain common law privileges may apply to the data, the Administration cannot guarantee that all data submitted to it will remain confidential at all times. Be advised, however, that the PIA does contain provisions that govern the confidentiality of data that is a trade secret or that contains certain financial information. (See General Provisions Article, §§4-335--336, Annotated Code of Maryland). The Administration recommends that the applicant review the applicable law prior to submitting an application as the Administration is unable to provide legal advice as to the absolute confidentiality of the data received.

Be further advised that if a license is awarded to an applicant, the Administration may use or disclose the trade secret or confidential financial data to the extent provided by law. Any decision by the State to disclose information determined to be trade secret information or confidential financial data will be made consistent with the PIA and other relevant laws and regulations.

If the applicant submits information in response to this application that the applicant believes to be trade secret information or confidential financial data as defined by General Provisions Article, §§4-335--336, and the applicant does not want such data used or disclosed for any purpose other than the evaluation of this proposal, the applicant shall:

1. Clearly mark every page of trade secret or financial materials in its proposal at the time the proposal is submitted with the words “**TRADE SECRET OR CONFIDENTIAL FINANCIAL DATA INFORMATION**” in capitalized, underlined and bolded type that is at least 20 pt.;
2. Redact any trade secret or confidential financial data from your application. **Combine all attachments containing any redacted information into one document.** Save this file and title the version as “Application – Trade Secret or Confidential Financial Data Information.” Upload this single document to OneStop as a PDF under the documents tab where requested;
3. Satisfy the statutory burden of justifying any claim of trade secret information and/or confidential financial data;
4. Acknowledge that the State does not assume liability for the use or disclosure of unmarked or unclearly marked trade secret information or confidential financial data; and
5. Understand that information provided and not redacted may be made public under Maryland Public Information Act.

The Administration may reject a designation that particular information in an application is trade secret information or confidential financial data if the Administration determines that the applicant has not met the burden of establishing the content to be trade secret information or confidential financial data. Use of generic trade secret language encompassing substantial portions of the proposal or simple assertions of trade secret interest without substantive explanation of the basis for the assertions will not be sufficient to warrant a trade secret designation. Moreover, a blanket statement by an applicant that its entire application is confidential is unacceptable. If certain information is found to constitute a trade secret or financial exception to disclosure then the remainder of the application will become public in the event a public information request is received. Applicants should understand that only the trade secret or confidential financial data will be redacted prior to disclosure. The applicant must defend any action seeking release of the materials that it believes to be trade secret information or confidential financial data, and indemnify and hold harmless the State, its agents, and employees, from any judgments against the State in favor of the party requesting the materials, and any and all costs connected with that defense. This indemnification survives the State’s award of a license. In submitting an application, the applicant agrees that this indemnification survives as long as the trade secret information or confidential financial data is in the possession of the Administration.