



The following guidance is provided by the Maryland Cannabis Administration (MCA) to assist existing medical cannabis licensees that convert to medical and adult use licensees comply with new State laws and regulations governing cannabis licensees that take effect July 1, 2023. This document is not legal advice. It is meant to highlight operational changes for **licensed dispensaries**. Please consult an attorney if you have any questions regarding the legal requirements that apply.

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### **Licensing & Registration Fees, and Issuance of a New License Number**

License fees are reduced and payable every 5 years, as opposed to annually. The renewal fees may be paid in annual installments.

- Previous Annual Fee of \$40,000 → Reduced to \$25,000 over 5 years
  - \$35,000 annual reduction in licensing fees.

*Converted licensed dispensaries will receive a new MCA-issued license number, valid for 5 years upon conversion.*

### **Identification**

**Adult Consumer:** Before dispensing cannabis to adult consumers, a dispensary must confirm that the consumer is at least 21 years old according to a valid government issued photo identification card.

**Patient or Caregiver:** Before dispensing cannabis to qualifying patients or caregivers, a dispensary must confirm the individuals' status and identity by asking them to present their Administration-issued patient or caregiver identification number and a valid government-issued photo identification.

Only the following forms of government-issued photo identification are acceptable:

- Driver's license or identification card issued by a U.S. state, territory, or the District of Columbia,
- U.S. passport or passport card,
- Foreign passport,
- U.S. military identification card, or
- Tribal card.

*Note: University- or college-issued identification cards are not considered sufficient forms of identification.*

*Version 4 - this document was updated on August 24th, 2023 and is current with the MCA's guidance, regulation, and compliance efforts. The MCA reserves the ability to alter guidance to align the State's cannabis program with Maryland law and policy.*

Dispensaries are additionally required to restrict the licensed premise to adult-use consumers, patients, and caregivers. The only exception is that children seven years old or younger may accompany a parent or guardian who is a patient and caregiver over the age of eighteen. Dispensaries should employ identification checks prior to admission to the licensed premises to ensure compliance. Dispensaries are **not required** to purchase or employ identification scanners either at the point-of-sale or upon entry to the licensed premise to be in compliance.

## **Medical Patients and Program**

### **Accommodations for Medical Patients**

A dispensary shall either provide (1) exclusive access to the licensed premises to qualified patients and registered caregivers for at least one hour per day **or** (2) a dedicated service line to serve only qualifying patients and registered caregivers for the duration of the licensed premises' operating hours.

MCA encourages dispensaries to offer additional accommodations for patients and caregivers, including providing priority access to the service area, designated parking spaces, additional hours, or additional service lines.

### **Qualifying Patient or Registered Caregiver Attestation**

Dispensaries are no longer required to obtain attestations from the qualifying patient or caregiver, as described in [COMAR 10.62.30.05](#). Previously, these attestations required the patient or caregiver to attest that they understand they are not immune from civil, criminal, or other penalties for illicit activities such as smoking cannabis in any public place or in a motor vehicle. Additionally, the patient or caregiver would need to attest to their understanding of certain information and responsibilities regarding cannabis use and possession. Attestations will also not be required for anyone purchasing adult-use cannabis or cannabis products.

## **Products**

### **Product Reservations**

Generally dispensaries must ensure adequate supply of medical cannabis products and reserve high potency products for medical patients. Specifically, dispensaries may only sell the following products to qualifying patients and registered caregivers:

- Concentrated cannabis products
- Edible cannabis products, infused non-edible cannabis products, capsules, and tinctures containing more than 10 milligrams (mg) tetrahydrocannabinol (THC) per serving or 100 mg THC per package

Adult consumers may purchase:

- Cannabis vaporizing devices (e.g., vapes)
- Home cultivation products
- Usable cannabis products (e.g., flower, pre-rolls)
- Edible cannabis products, infused non-edible cannabis products, capsules, and tinctures containing up to 10 mg THC per serving or 100 mg of THC per package

## **Hemp**

Hemp-derived products containing more than 0.5 mg THC per serving or 2.5 mg THC per package may only be sold by licensed dispensaries if they have been manufactured, processed, and tested in accordance with MCA regulations. (Note: THC includes any THC isomers or derivatives, including delta-8 and delta-10). These products may only be displayed or offered for sale in the restricted area of a dispensary.

Hemp-derived products with less than 0.5 mg THC per serving and 2.5 mg THC per package, as well as certain full spectrum hemp tinctures and hemp-derived products that are not intended for human ingestion or inhalation, such as lotions, balms, salves, or pet CBD products, may still be sold in the public area of a dispensary.

## **Liquid Edibles**

A new product authorized under these regulations for adult consumers are liquid edible products (e.g., beverages). For the purposes of producing a liquid edible product, one single container is a single serving of product, and it may not contain more than 10 mg of THC. Liquid edibles must also comply with the requirements of other edible products in terms of production, packaging, and labeling. This includes limiting the manufacture of these products to facilities with a valid edibles permit.

## **Home Cultivation Products**

Home cultivation products are now authorized for retail sale by dispensaries to consumers, patients, and caregivers. Home cultivation products include clones, seeds, seedlings, stalks, roots, and stems of the cannabis plant. A licensed dispensary may only obtain home cultivation products from a licensed grower.

## **Dispensing**

### **Sales Limits**

A dispensary may not knowingly dispense more than the personal use amount of cannabis in a single day. According to [Criminal Law Article, §5-101](#), this means: (1) an amount of usable cannabis that does not exceed 1.5 ounces (oz); (2) an amount of concentrated cannabis that does not exceed 12 grams (g); **or** (3) an amount of cannabis products containing delta-9-THC that does not exceed 750 mg. As a reminder, concentrated cannabis products are *only* authorized for medical sales. For adult-use sales, cannabis vaporizing devices are weighed as concentrated cannabis, regardless of the production method, and are restricted by the 12 gram limit for a single transaction. Additionally, tinctures and capsules are counted as edible cannabis products and are restricted by the 750 mg edible cannabis product limit for a single transaction.

Therefore, the amounts that adults can purchase outside of the medical market are aligned as follows with the current criminal law possession limits:

1. An amount of usable cannabis that does not exceed 1.5 ounces (oz).
  - a. The new regulations create a category for *usable cannabis products*. This includes:
    - i. Pre-rolls;
    - ii. Jarred, sealed or otherwise stored and prepackaged amounts of flower.
  - b. The combined weight of flower sold as a usable cannabis product to an individual may not exceed 1.5 ounces or 42.5 grams.
2. An amount of concentrated cannabis that does not exceed 12 grams (g).
  - a. For the purposes of adult-use sales, only cannabis vaporizing devices or fluid are considered in this category, e.g. a 1-gram vape cartridge is considered 1-gram of concentrated cannabis for these sales restrictions.
  - b. An individual may not purchase more than 12 grams of vapes, vape cartridges, etc. *regardless of the production process of the product*.
  - c. An individual may not purchase *any other concentrated product*.
3. An amount of cannabis products containing delta-9-THC that does not exceed 750 mg.
  - a. Any other cannabis product providing it contains less than 10 mg per serving and 100 mg per package. This includes:
    - i. Edibles;
    - ii. Capsules;
    - iii. Tinctures;
    - iv. Topicals / lotions (e.g. "infused non-edibles").
  - b. Products under this category may not be combined to contain more than 750 mg of THC in a single transaction for adult-use consumers.
  - c. Any products with greater than 10 mg of THC per serving or 100 mg of THC per package *may not* be sold to adult-use consumers.

These are combined limits. For the purposes of dispensing cannabis, an individual purchasing the **MAXIMUM** amount of any one product type **MAY NOT** purchase any additional product type(s). See examples below for violations of the sales limits:

Sample Transaction	Clause for Violation
1.6 ounces of flower product.	Total amount of usable cannabis sold exceeds the 1.5 ounce restriction under the Personal Use Amount.
1.5 ounces of flower product and a 1 gram vape cartridge.	Total amount sold includes the maximum of the usable cannabis category and additional products.
Eight 1-gram disposable vapes and nine 0.5-gram vape cartridges.	Total grams of vape products sold exceeds the 12 gram restriction in the Personal Use Amount by 0.5 grams (12.5 grams of vapes being sold in total).

Sample Transaction	Clause for Violation
Seven packages of 100 mg THC edible products, a 50 mg THC tincture, and 3.5 grams of flower.	Total amount sold includes products containing exactly 750 mg of THC, and an additional amount of usable cannabis.
Six packages of 75 mg THC edible products, and three 100 mg THC lotions and a container of ten-5 mg THC capsules.	The total amount of products containing THC sold is 800 mg, which exceeds the personal use amount of 750 mg.

Additionally, dispensary agents are required under regulations to deny sales to any consumer whose purchase patterns may reasonably be used for resale or product diversion. The MCA may query METRC for purchases that either: (a) violate the sales restrictions set forth in regulations; or (b) approach an amount of cannabis products that could reasonably be interpreted for resale or diversion.

A dispensary may sell up to two clones or seedlings to any adult who is at least 21 years old and up to four clones or seedlings to any qualifying patient who is at least 21 years old or a registered caregiver. A dispensary may sell up to 6 seeds to any adult-use consumer, qualifying patient, or registered caregiver.

A dispensary agent should decline to dispense cannabis to a consumer if they appear to be under the influence of alcohol or drugs, attempting to purchase cannabis products for resale or obtaining an amount of cannabis products greater than the personal use amounts.

**Sales Tax**

A dispensary must assess a 9% sales and use tax for the sale of cannabis to adult consumers in accordance with the [Tax – General Article, §11-104\(K\), Annotated Code of Maryland](#). Cannabis sales to qualifying patients and caregivers are exempt from the sales and use tax.

**Deliveries**

Through June 30, 2024, a standard dispensary licensee or registered delivery service may continue to deliver cannabis to qualifying patients and registered caregivers **only**. Beginning July 1, 2024, a standard dispensary licensee or registered delivery service may not operate any delivery service.

*Curbside/on-site delivery:* Dispensaries may continue to conduct on-site cannabis delivery to qualifying patients and caregivers in a vehicle parked in the dispensary’s parking lot, according to the procedures below:

- Process an online or telephone order according to [COMAR 10.62.30.04C](#), including (i) confirming the individual is a qualifying patient or caregiver and (ii) the amount of medical cannabis requested does not exceed the 30-day supply.

- Deliver the medical cannabis to a qualifying patient or caregiver only if the patient or caregiver is in a motor vehicle that is parked in the dispensary parking lot.
- At the point of delivery, verify the identity of the qualifying patient or caregiver according to [COMAR 10.62.30.04A](#).
- On-site deliveries must be captured on the dispensary's motion-activated video surveillance recording system as required in [COMAR 10.62.27.07D\(2\)](#).

## Trade Practices

Dispensaries shall make a good faith effort to reserve 25% of products available for retail sale for products grown, manufactured, extracted, or otherwise produced by licensees that have no common ownership interest or control with the dispensary license holder and by social equity businesses once they are up and running. When possible, businesses are encouraged to prioritize products produced by social equity businesses.

## Additional Operational Considerations

- A dispensary may package, repackage, wrap, roll, or otherwise create usable cannabis products from usable cannabis in accordance with requirements in COMAR 14.17.13.11. However, deli-style sales as described in [COMAR 10.62.30.09](#) are ***not permitted***.
  - The new regulations place additional health and safety restrictions on the repackaging of bulk cannabis products including:
    - Handwashing sinks, scales, and sanitation protocols to be used by all licenses in the packaging and repackaging of cannabis flower.
      - Note: Handwashing sinks do not need to be located in the packaging room itself but must be nearby and readily accessible for employees. These sinks may not be accessible to the public.
    - A 10-pound restriction on the amount of bulk cannabis a dispensary can have at a given time.
      - Note: This only applies to flower product that has yet to be packaged/repacked into a "usable cannabis product", e.g. if a dispensary has 10 pounds on hand, repackages 5 pounds in the morning to create usable cannabis products for sale, they will be able to obtain 5 additional pounds of bulk flower that evening, regardless of the amount of the repackaged 5 pounds that sold. A dispensary may sell its current bulk cannabis supply through December 31, 2023. By January 1, 2024, all dispensaries are expected to be within the 10 pound restriction. Until the amount of bulk product is below the 10 pound restriction, dispensaries will be prohibited from receiving additional bulk product transfers.
    - A 5-pound restriction on the amount of bulk cannabis a dispensary can receive in a given transfer.
    - A 1-pound restriction on the amount of bulk cannabis a dispensary can receive in a given package.

- A dispensary may use an online ordering system to conduct pre-orders for pick-up or delivery. At this time, adult consumers, qualifying patients, and caregivers are eligible to pre-order for pickup; only qualifying patients and caregivers are eligible for delivery.
  - If a dispensary uses an online ordering system, it **must** (1) verify the consumer is at least 21 years old or that the individual is a qualifying patient or registered caregiver and (2) collect both signature and contact information. Only then may the online ordering system collect payment.
- A licensed dispensary **may not** sell or distribute cannabis through an unlicensed third party, intermediary business, broker, or any other business or entity.
- A dispensary **must** restrict access to only qualifying patients, caregivers, and individuals over the age of 21.
- A dispensary **may not** be open for business for more than 12 hours a day, before 8am, or after 10pm.
  - A dispensary must make and record all sales between 8am and 10pm and should not allow any consumer or patient to enter the premises outside of the 12-hour window of operations. The dispensary should set its operating hours accordingly. The final sale of the day must be completed prior to 10pm.
  - These hours of operation do not prevent a dispensary from conducting setup, closing, or other business activities, such as receiving deliveries, outside of those hours as long as they are closed to the public.
  - As a reminder, cannabis inventory must be stored in a secure room except while the licensed dispensary is open for business and 1 hour before and 1 hour after.
- A dispensary may be required to conspicuously display valid proof of licensure, consumer education safety information provided by the MCA, and minimum purchase age and identification requirements.

### **Unchanged from Medical Program**

- Dispensing of medical cannabis under COMAR 10.62.30.03
- Dispensary premises, and security requirements under COMAR 10.62.27.03 – 10.62.27.09
- Drive-through dispensing under COMAR 10.62.27.10

### **Questions?**

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