



MARYLAND
MMCC

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Medical Cannabis Educational and Business Development Training Program Grant Announcement Q&As

On August 21, 2018, the Maryland Medical Cannabis Commission (the Commission) released an announcement for grant applications entitled *Medical Cannabis Educational and Business Development Training Program*. The Commission is making available substantive questions and answers that pertain to the announcement.

Letter of Intent Due: **Monday, September 10, 2018 by 5:00 pm (ET)**

Application Due: **Wednesday, September 26, 2018 by 5:00 pm (ET)**

Please note that the deadline for the Letter of Intent has been extended to September 10, 2018.

The email address for the submission of the Letter of Intent and the Application has been revised to grants.MMCC@maryland.gov.

Questions and Answers.

Question #1) What is the appropriate length and format for the Letter of Intent? Is there a specific format for submitting the Letter of Intent?

Answer: The Commission proposes that the Letter of Intent be limited to one page. However, any length for the Letter of Intent is acceptable. There is not a specific format for the Letter of Intent yet the letter should identify: 1) the organization(s) involved in the project and their role(s); 2) a brief description of the proposed project; and 3) project objectives.

Although the Letter of Intent is a mandatory step in the Application process, the Letter of Intent will not be scored or impact the evaluation of the grant Application. The purpose of the letter is simply to give the Commission an indication of the level of interest in the grant opportunity and the type of Applications we may receive. It will also enable the Commission to post a list of organizations and their contact information on the Commission's website for those interested in collaboration and partnership in carrying out the responsibilities under the grant. An applicant may adjust or change items/concepts outlined in the Letter of Intent upon submission of the Application.

Question #2) Can individuals who are not a small, minority, or women business owners or entrepreneurs enroll in one of the grant training programs?

Answer: Yes, all should be welcome to attend. While the training programs should strongly encourage participants who are small, minority and women business owners and entrepreneurs, the programs should not exclude interested non-minority individuals from attending.

Question #3) Is there a current organizational chart for the Maryland Medical Cannabis Commission?

Answer: Yes there is an updated organizational chart for the Commission. However, it is not posted online at this time [as of August 30, 2018]. You may receive a copy of the organizational chart by sending an email requesting it to ChristiL.Megna@maryland.gov

Question #4) Is the Commission anticipating the revised regulations and new applications to be released before, during, or after the training programs?

Answer: It is anticipated that the regulations will be released before the training programs begin, and that the draft applications will be released concurrently with the training programs. However, due to the necessary vetting and approvals for the revised regulations and the draft applications, the timing is not definitive. The revised regulations and draft applications will be posted on the Commission's website as soon as they are finalized and approved.

Question #5) Will the next round of applications be identical to the previous licensing applications?

Answer: No. Chapter 598 of the Acts of 2018 requires the Commission to develop new regulations to amend the licensing process to encourage small, minority and women applicants. The new applications will be amended to comply with the new statutory requirements.

Question #6) Is there an Application form that needs to be completed when applying for the grant?

Answer: No. The Application will consist of a cover letter and an Application narrative that addresses the project's Scope of Work and Strategy and Appendices A through F as described in Section VIII entitled Application Requirements of the Grant Announcement.

Question #7) Is the participation and completion of a medical cannabis educational and business development training program under the grant a mandatory pre-requisite for submitting a grower or processor application under the next round of licensing applications?

Answer: No, enrolling in and completing an educational and business development training program is optional.

Question #8) Could the new application process be delayed if the training program lasts six months?

Answer: No, the Commission will not delay the new application process. Following promulgation of the statutorily-mandated regulations, the Commission will release a draft application for public comment. A final application will be released after the public comment period. As soon as the new application is finalized and approved, the Commission will post it and begin accepting submissions. The medical cannabis educational and business development training program should begin in advance of the next application period for medical cannabis grower and processor licenses even if the entire timeline of the training period is not entirely completed by the time the new application is posted.

Question #9) Is it permissible for a grant applicant/grantee to develop a medical cannabis curriculum that addresses more than one of the subject matter categories described in the Grant Announcement?

Answer: Yes. The grant requirement is that each grant applicant must detail the development of a project plan comprised of a training curriculum that addresses at least one of the two categories specified in the Grant Announcement (Category 1. Medical Cannabis Licensing and Applications or Category 2. Medical Cannabis Business Operations). However, if a grant applicant wishes to develop a training curriculum that addresses one of the categories plus additional relevant subject areas, that is permissible.

Question #10) Does the Commission have a preference for in-person vs. remote instruction for the training program?

Answer: The Commission is seeking grant applicants to develop and implement an in-person and a remote learning curriculum. The grant requires both types of training modalities.

Question #11): For an institution/organization that has existing facilities (e.g. buildings which include classrooms), is it permissible for a grant applicant/awardee to include any expenses for facilities, since they would bear no additional out-of-pocket costs to use an empty classroom to conduct the face-to-face training? If the answer is yes, how should the applicant/grantee apportion those costs?

Answer: Existing facilities and information technology costs may be allocated as indirect costs if they can be estimated. The indirect cost must be limited to the 10% threshold.

Question #12): Is there a minimum or maximum fee that an educational institution/organization or business development organization providing training under the grant will be permitted to charge participants who enroll in the training programs?

Answer: The training program participants must be able to enroll in and access the training programs free of charge to best encourage participation. The purpose of the grant training programs is to reduce barriers to entry into the medical cannabis industry faced by small, minority, and women business owners and entrepreneurs. As such, the Commission intends that the training programs should be easily accessible and therefore prohibits a grantee from charging fees to participants which could in turn create a barrier to participation.

Question #13) Will an educational/nonprofit organization or institute that is awarded a training grant who also receives federal funding jeopardize its federal funding because marijuana is illegal at the federal level?

Answer: The Maryland Medical Cannabis Commission makes no guarantees about the impact that receiving a medical cannabis training grant would have on an organization's or institute's receipt of federal funding. Any applicant concerned about the potential impact should consult with legal counsel.

Question: #14) Does a Limited Liability Company (LLC) registered to do business in Maryland that provides medical cannabis education to businesses and individuals qualify as an educational organization under the grant?

Answer: Yes, educational organization/institution is a broad term that was not defined in the enabling legislation that created this grant opportunity. The term will be interpreted broadly for the purpose of this grant and encompasses organizations and institutions beyond colleges and universities.

Question #15) The grant announcement states that the grant period (project length) is for a minimum of three (3) months and a maximum of six (6) months. Does this mean that the training needs to last 3-6 months?

Answer: A grantee's project timeline which is comprised of all critical action steps for project completion and deliverables, including the actual training, must occur during a period of at least three (3) but not more than six (6) months.

Question #16) How many in-person and remote distance trainings are expected during the grant period?

Answer: There is no specific number of trainings that are required during the grant period. The training grant applications will be evaluated on the strengths and weaknesses of each application. The applicant organization or institution must be eligible to apply and determined to be capable of carrying out the intended project and proposed uses of the requested funds.

Question #17) The grant announcement states that applicants must demonstrate proof of partnership with any participating organizations. What constitutes a participating organization for partnership? What is the expectation of collaboration/partnership with participating organizations?

Answer: A participating organization for partnership is another educational organization/institution or business development organization to work with to develop and implement the responsibilities under the grant. Depending upon a grant applicant's resources and experience, an applicant may have a more competitive proposal if the applicant partners with a participating organization. In addition, a potential applicant may collaborate with other interested stakeholders that are not educational organizations/institutions or business development organizations but have subject matter expertise in an area(s) of the applicant's medical cannabis curriculum.

Question #18) If two or more educational organizations/institutions or business development organizations are interested in developing a similar training program in partnership with one another, should each organization submit a separate grant application or should the partnering organizations submit one combined application?

Answer: The partnering organizations that are collaborating on a training program should submit one combined application, with one of the organizations listed as the prime organization. Please note, however, that each organization may submit either a combined or separate Letter of Intent.

Question #19) How much detail regarding the curriculum is needed in the application?

Answer: While the actual curriculum would be developed after the grants are awarded, each applicant should provide a clear overview of what the curriculum will entail in the application.

Question #20) Is a train-the-trainer model acceptable for the training program?

Answer: No educational training models are disqualified from consideration under the requirements of the grant.

Question #21) Please clarify what is meant by the statement on page 6 of the grant announcement that states “MMCC seeks applicants to develop ... associated materials and services”....

Answer: This is to be determined by each applicant. The appropriate materials and services should supplement the curriculum/training.

Question #22) How many licenses are needed for Growers, Processors, and Dispensaries?

Answer: The Commission is authorized via statute to award up to 4 additional grower licenses and up to 10 additional processor licenses. The Commission does not have any plans at this point to award additional dispensary licenses.

Question #23) Why does the Commission anticipate five grant awardees?

Answer: The Commission is prepared to issue up to 5 awards. The actual number will be determined by the number and quality of the applications.

Question #24) Do you expect one consistent curriculum to be used across the awardees?

Answer: No. Each awardee is expected to develop their own curriculum that meets the requirements of the grant.

Question #25) How many applicants for new licenses do you anticipate?

Answer: In 2016, the Commission received more than 250 applications for grower and processor licenses. The Commission is unable to anticipate whether the number of applications will be consistent or change.

Question #26) How many applicants applied for the previous round of grower, processor, and dispensary licenses?

Answer: In the previous round of applications, the Commission received: 1) 145 grower applications; 2) 124 processor applications; and 3) 811 dispensary applications.

Question #27) Due to the complexity of how salaries are allocated at a certain university, would the Maryland Medical Cannabis Commission consider structuring the grant as a fixed price contract, if awarded?

Answer: If awarded, the Commission can structure the grant as a fixed-price contract so long as the University or any other grantee meets all reporting requirements as currently set out in the grant terms with regards to Budget (See Section B, Appendix D of the grant announcement) and all of the other terms.

Question #28) What expenses fall under the line item for training expenses in the grant budget?

Answer: All costs associated with training materials and external training instructors. Other training instructors who are direct employees must be categorized under salaries.

Question #29) Can a grant applicant include in the line item for equipment only those expenses for equipment that cost \$5,000 or more?

Answer: Equipment is defined under 2 CFR 200.33 as tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit, although the grantee may establish a lower dollar amount threshold, through its written policies and procedures. This category includes only equipment the grantee proposes to purchase as a direct cost. Equipment also includes accessories and services included with the purchase price necessary for the equipment to be operational. If the grant recipient has a written policy in which the threshold is lower, it can still be listed as equipment. For instance, a personal computer may cost \$1,500, and the organization's policy is to capitalize every equipment purchase above \$1,000. This means the laptop will be listed as equipment even though it is below \$5,000.

Question #30) Can an educational institution/organization or business development organization that submitted a Letter of Intent for one proposal subsequently submit multiple full Applications that set forth the same curriculum but would be implemented in different geographic areas?

Answer: No, an organization may be awarded not more than \$45,000 in grant funds for a proposal with the same curriculum even if it is implemented in different geographical areas.

Question #31) There are a few questions that the Commission received relating to the impact that developing and implementing a medical cannabis training program under the grant would have on the ability of an individual or entity to apply for and/or be awarded a medical cannabis license or serve in some capacity as a medical cannabis licensee, equity partner, consultant, or advisory board member in the future.

Revised Answer: The Commission is not barring any educational organizations/institutions or business development organizations from applying for the grants. While a grantee will be eligible to apply for medical cannabis licenses, its status as a grantee will have no bearing on the evaluation of its application for medical cannabis license and reference to being a Commission grantee in the application for a medical cannabis license will be reason for rejection.

Further, Commission staff, rather than grantees, will provide all training on the diversity and social equity features of the new licensing applications. In this way, the Commission will provide information about all new elements of the application process to all interested potential applicants directly, and no grantee will have early access to information on the new elements of the Commission's application process.

The Commission intends to provide a transparent grant process in which substantive questions and answers concerning the grant application will be posted on its website at <http://mmcc.maryland.gov> on an ongoing basis.

Please take special note that the answer to this question has been revised and expanded upon after further consultation and is different from the response that was provided during the Commission's Open Forum Conference Call on August 30, 2018 at 10 am.