

Extension of Stage One Medical Cannabis License Preapprovals

Health-General Article, §13-3311.1(b), Annotated Code of Maryland, which governs the recission of a preapproval of a medical cannabis license, states that:

- (b)(1) Subject to paragraph (2) of this subsection, the Commission may rescind the Stage One preapproval of an applicant if the facility of the applicant is not operational within 12 months after issuance of the Stage One preapproval due to a lack of a good faith effort by the applicant to become operational.
- (2) If the applicant can demonstrate to the Commission that the failure to become operational under paragraph (1) of this subsection was due to unforeseen hardship beyond the control of the applicant, the Commission may extend the time frame to become operational for an additional 12 months before rescinding the Stage One preapproval.

On October 1, 2020, the Maryland Medical Cannabis Commission issued 11 Stage One preapprovals to medical cannabis grower and processor applicants. As of today, none of these applicants have obtained final licensing to grow or process medical cannabis. In response to requests sent by Commission staff, each applicant has formally requested an extension to become licensed and operational due to unforeseen hardships beyond the control of the applicant.

In light of the extension requests and the good faith efforts made by Stage One preapproved applicants to become licensed and operational, Commission staff recommend that membership vote to approve a 6-month extension for each pre-approved applicant. Navigating the COVID-19 pandemic over the past 18 months has presented significant and novel challenges to nearly every aspect of life and business operations. In particular, Stage One preapproved medical cannabis applicants have faced substantial permitting and zoning delays outside of their control. These challenges meet the criteria established in Health-General Article, §13-3311.1(b)(2) for the Commission to grant an extension and therefore staff recommend extending the deadline for Stage One preapproved allow applicants to become licensed and operational to March 30, 2022.

The above resolution was adopted with unanimous Commission approval at the September 23, 2021 meeting of the Maryland Medical Cannabis Commission.

Brian Lopez, Chair