



BULLETIN: 2020 – 014

Effective Date: May 18, 2020

Amendments to Enforcement and Inspection Requirements

Linthicum, MD (May 18, 2020) – The Maryland Medical Cannabis Commission (the “Commission” or “MMCC”) is issuing this Bulletin to notify licensees of regulatory changes to enforcement and inspection requirements for medical cannabis businesses. The amended regulations: 1) streamline video surveillance provisions relating to licensed grower, processor, and dispensary premises; 2) establish mandatory reporting requirements whenever a licensee finds evidence of theft or diversion; 3) require a dispensary agent to conduct a query of the Commission’s data network using a unique log-in prior to dispensing medical cannabis to a qualifying patient or caregiver; and 4) require a licensee to enter timely and accurate data into METRC to better identify and track the licensee’s stock of medical cannabis from seed to sale.

The Code of Maryland Regulations (“COMAR”) 10.62 has been revised as follows.

Video Surveillance. There are new surveillance camera requirements for licensee premises.

- **Growers:** maintain video surveillance at the entrance to and within each area where medical cannabis is trimmed, packaged, or stored.
- **Processors:** maintain video surveillance at the entrance to and within each area where medical cannabis is processed, packaged, and stored.
- **Dispensaries:** maintain video surveillance at the entrance to and within each area where medical cannabis is packaged, stored, or dispensed.

Additional video surveillance changes:

1. Licensees must retain video surveillance recordings for a minimum of 90 calendar days.
2. Licensees are no longer required to store the video surveillance recordings at both the licensed premises and at an off-site location. Instead licensees have the discretion to determine whether the recordings will be stored on the premises or off-site.
3. Any recording of security video surveillance must be made available to the Commission or law enforcement for just cause within 48 hours. If it is not possible for a licensee to provide all footage within 48 hours.
4. Each day that a licensee fails to provide a requested video surveillance recording within the minimum 90 calendar days that the recording must be retained constitutes a separate violation, subject to a fine of up to \$10,000 per violation.

Theft and Diversion. If a licensee finds evidence of theft or diversion, the licensee shall report the theft or diversion to the Commission and the Maryland State Police within one (1) business day. Within 30 business days of discovering the theft or diversion, the licensee shall complete an investigation, amend the licensee’s standard operating procedures, if necessary, and send a

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report of the investigation to the Commission.

Database Query by Dispensary Agents. Prior to dispensing medical cannabis to a qualifying patient or caregiver, a dispensary agent must log in to the Commission's data network using a unique log-in and verify:

1. The qualifying patient or caregiver is currently registered;
2. A certifying provider has issued a valid written certification to the qualifying patient; and
3. The amount of medical cannabis that has already been dispensed pursuant to the written certification.

The requirement for each agent to use a unique log-in enables the Commission to more readily determine whether a specific dispensary agent has complied with the COMAR dispensing requirements listed above.

Inventory Tracking and Sales Data. A licensee is required to enter data into METRC that identifies and tracks the licensee's stock of medical cannabis from the time it is propagated from seed or cutting, or delivered or produced to the time it is delivered to another licensee or a qualifying patient or caregiver. Pursuant to the revised regulations, a licensee is also required to enter the data into METRC in a timely and accurate manner. For avoidance of doubt, **these revised regulations mandate that the price for medical cannabis paid by a licensee, qualifying patient, or caregiver must be accurately recorded in METRC immediately upon (1) transfer to a licensee or (2) dispensing to a qualifying patient, or caregiver.** A licensee's failure to enter inventory tracking and sales data into METRC **within 24 hours** of a product being transferred or dispensed may result in the imposition of a civil monetary fine or the suspension or revocation of the licensee's medical cannabis license, subject to applicable hearing rights.

Questions about this Bulletin should be directed to the Bureau of Enforcement and Compliance at enforcement.mmcc@maryland.gov.