



January 24, 2025

POSITION STATEMENT

SB 215/HB 132- Cannabis-On-Site Consumption Establishments and Cannabis Events

SB215/HB132- Chair, Finance Committee/Chair ECM Committee (By Request – Maryland Cannabis Administration)

POSITION: SUPPORT

The purpose of the bill is to limiting application submissions for on-site consumption (Cannabinoid Beverage) licenses to social equity applicants under consumption licenses. It authorizes a political subdivision to establish hours of operation for on-site consumption establishments. It further authorizes the holder of an on-site consumption license to repackage and process cannabis and cannabis products, allows the authorizing the holder of a certain cannabis event registration to hold certain cannabis events. And, it allows a political subdivision to asses fees in addition to MCA fees for for a cannabis event registration.

Key Components:

1. On-Site Consumption Establishments:
  - Limited to social equity applicants for license applications
  - Political subdivisions can:
    - Set operating hours
    - Prohibit operations
    - Restrict smoking/vaping
    - Set zoning requirements
  - Establishments can:
    - Repackage and process cannabis products
    - Create single-serving products
    - Operate as food service facilities
  - Must comply with manufacturing, testing, and labeling standards

## 2. Operational Restrictions for On-Site Establishments:

- No free samples
- No alcohol consumption
- No indoor smoking
- No service to visibly intoxicated individuals
- No admission to those under 21
- Cannot allow removal of products from premises
- Must provide consumer education materials

## 3. Cannabis Events:

- Requires registration with 60-day advance notice
- Limited to 48 hours or 4 consecutive days maximum
- Base registration fee of \$500 per day
- Vendor permits capped at \$5,000 per 2,000 attendees
- Political Subdivision may assess an additional event registration fee
- Until June 30, 2028, vendor permits limited to social equity licensees
- After July 1, 2028, permits expand to include dispensary, on-site consumption, and processor licensees

## 4. Event Regulations:

- Must restrict cannabis consumption to designated areas
- No smoking or vaping allowed
- Age restrictions (21+)
- Sales limited to single-serving products
- Subject to sales and use tax
- Local jurisdictions can restrict or prohibit events

## 5. Enforcement:

- Authorities can order immediate event shutdown for violations
- Unauthorized events subject to misdemeanor charges and up to \$5,000 fine
- Law enforcement can intervene for public safety concerns

Implementation Date: October 1, 2025

The bill expands cannabis consumption to include cannabinoid beverages. There is additional potential revenue for political subdivision through the (no cap) fee assessment for event registration. Violations are enforced by the MCA, a political subdivision or law enforcement, including local law enforcement. Conviction is a misdemeanor and civil fine not to exceed \$5000. Potential additional revenue for a political subdivision and some degree of local control is provide. For these reasons, the Prince George's County Council should support the aforementioned legislation.

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