

The following guidance is provided by the Maryland Cannabis Administration (MCA) to assist cannabis licensees in complying with State laws and regulations governing the cannabis industry. This document is not legal advice. It is intended to outline operational guidelines for **micro dispensaries**. Please consult an attorney if you have any questions regarding the applicable legal requirements.

Micro Dispensary Guidance

Micro Dispensary Overview

What does a micro dispensary license authorize a licensee to do?

A micro dispensary license is authorized to deliver cannabis to residences and medical facilities within an authorized service area. A micro dispensary licensee is not authorized to operate a physical storefront. A micro dispensary may employ no more than 10 registered agents, including owners.

See COMAR 14.17.07.07 and 14.17.12.03; Alcoholic Beverages and Cannabis § 36-401(c)(2)(iii)

Authorized Service Area

What is an authorized service area?

An authorized service area is the region in Maryland where the micro dispensary license was awarded, i.e., Central, Eastern, Southern, or Western, and where it may deliver cannabis or cannabis products. A micro dispensary may store its inventory outside of the authorized service area. $\underline{\text{COMAR } 14.17.12.03C(1)}$. It may also transit outside the service area to stock or restock inventory, or when it is most efficient, as part of a planned delivery route. $\underline{\text{COMAR } 14.17.07.07D(5)}$, $\underline{14.17.12.03D(2)}$. Transit outside of Maryland is never permitted. $\underline{\text{COMAR } 14.17.12.03C(1) \otimes D(2)}$.

Beginning July 1, 2026, a micro dispensary may petition to expand its authorized service area in the manner prescribed by the MCA. See <u>COMAR 14.17.07.07D</u>.

Storage Facility Options

Where can micro dispensaries store inventory?

A micro dispensary licensee may store inventory at a facility it controls and operates or a facility operated by a grower, processor, or standard dispensary. Depending on where a micro dispensary stores its inventory, different requirements may apply (see table below).

Version 3 - this document was updated on October 1, 2025 to reflect recent updates 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.

Storage Location	Requirements
Own storage facility	COMAR 14.17.12.03C
Grower/processor facility	COMAR 14.17.12.03C
Standard dispensary facility	COMAR 14.17.12.02

What requirements apply to storage areas shared with another licensee?

See the list above for comprehensive storage area regulations. If the micro dispensary stores inventory in a facility controlled by a grower, processor, or standard dispensary, each licensee's inventory must be physically separated. For example, a micro dispensary could store its inventory in a vault within a standard dispensary operations zone. If the licensees were sharing inventory in the same vault, they would need to arrange the vault so that the micro and standard dispensaries can only access their respective inventories, E.g. two locked cages in one room that contain each licensee's inventory. The micro dispensary may only have access to the micro dispensary's inventory, and the host licensee may only have access to the host licensee's inventory. See COMAR 14.17.12.03C(2). Each licensee must use security alarm systems to prohibit access to storage areas by anyone other than their own agents. Each licensee must have independent and unique access to its own video surveillance and security alarm systems.

A host licensee may use one alarm system for its entire premises provided it has unique zones for each area required to be protected by the alarm system. For example, a grower licensee that hosts a micro dispensary for inventory storage may use one overall security alarm system with unique zones for different areas, including a unique zone for the micro dispensary's designated storage area.

Should all agents be badged separately, even when working at shared facilities?

MCA strongly recommends that micro dispensary's agents be dually badged if they will be entering any area of another licensee's premises that is used for cannabis operations. A guest at a licensed premises who is not a registered agent employed by that licensee would need to be treated as a visitor in accordance with COMAR 14.17.10.07, 14.17.11.17, and 14.17.12.04N, whichever applies, to be admitted to an area of the premises used for cannabis operations.

Can a micro dispensary have more than one secured room/storage facility?

Yes. A micro dispensary may use more than one storage facility to store their inventory. They may choose to store their inventory in multiple of their own storage facilities or a mixture of their own and other licensees' storage areas. Storage facilities do not need to be located within the micro dispensary's authorized service areas, see COMAR
14.17.07.07D(5), but must meet all requirements in COMAR 14.17.12.03C or COMAR
14.17.12.02G, whichever applies.

Can a micro dispensary's delivery vehicle serve as storage?

No. A micro dispensary's storage facility may not be a delivery vehicle. <u>COMAR</u> 14.17.12.03G prohibits dispensing cannabis or cannabis products from the storage facility premises or carrying cannabis or cannabis products in the delivery vehicle with a value in excess of \$5,000 at any time. The value of cannabis goods shall be determined using the current retail price of all cannabis or cannabis products carried by or within the delivery vehicle. See COMAR 14.17.12.03H.

Delivery Operations

What are the guidelines for delivery?

<u>COMAR 14.17.12.03D</u> establishes delivery operations for a micro dispensary. Deliveries must be made:

- By registered agents with MCA-issued badges.
- Between 8:00 AM and 11:00 PM
 - No deliveries may occur after 11:00 PM; delivery of the product is an element of a sale.
 - Any order received that cannot be fulfilled before 11:00 pm may not be fulfilled until the following day
- Only to qualifying patients, caregivers, or adults 21+ with a valid ID.
- Using secure, unmarked vehicles equipped with GPS, lockboxes, and cameras with no more than \$5,000 in cannabis products per vehicle, per trip.
- Using a body camera during transport and delivery of cannabis to the consumer.
 - Licensees can use any type of camera that can capture, record, and produce shareable video records that can be inspected by the MCA upon request
 - Licensees should obtain consent for a delivery recipient to be captured on video during delivery
 - If a customer, registered patient, or caregiver does not want to be recorded during the delivery then the licensee should decline the sale.

See COMAR 14.17.12.03D, .08, .09

Standard Operating Procedures (SOPs)

What should SOPs address?

Micro dispensaries must establish and implement SOPs for all aspects of operations, including but not limited to inventory control, packaging, labeling, receiving, delivery, green waste, and security. The security SOP should include the micro dispensary's plan for video surveillance review. Licensees must train agents on all SOPs and make SOPs available for inspection by the MCA upon request. See COMAR 14.17.12.11A.

Inventory Compliance and Inspection

What are the inventory requirements for micro dispensaries?

Micro dispensaries must use MCA's seed-to-sale tracking system, METRC (Marijuana Enforcement Tracking Regulation and Compliance), to track its stock of cannabis from the time it is received by the micro dispensary to the time it is delivered or dispensed to another licensee, qualifying patient, registered caregiver, or adult-use consumer. Daily logs of all inventory, transfers, manifests, and sales must be maintained in METRC. See COMAR 14.17.09.03.

What is subject to MCA inspection?

Prior to MCA awarding a license to a micro dispensary (i.e., during the conditional licensing phase), the MCA may inspect all of a conditionally licensed cannabis business' premises and operations to ensure conformity with its application, State law, and regulations. An MCA inspection may include, but is not limited to, standard operating procedures, storage facilities and containers, video surveillance and security alarm systems and records, vehicles, and cannabis. See COMAR 14.17.14.03E and F.

In the case of an inspection before the issuance of a license, the MCA will arrange the inspection to take place at a mutually agreeable time. Once operational, MCA may make both announced and unannounced inspections. At the end of an inspection, MCA will provide the licensee with an exit briefing and documentation detailing any compliance issues that must be corrected by the licensee.

After MCA awards a license to a micro dispensary, inspections may vary depending on the selected business model and number of storage facilities. If a micro dispensary stores its inventory in its own or another licensee's storage facility, the MCA inspection will include but not be limited to delivery vehicles, storage areas, all aspects of the shared space arrangement, security and surveillance systems, any contracts between licensees, and anywhere records are stored. For a micro dispensary that does not have its own inventory, an MCA inspection will include all delivery vehicles, surveillance systems, any contracts between licensees, and anywhere records are stored.

MCA will conduct vehicle inspections at the storage location or another mutually agreeable location where and on a date that all vehicles can be inspected at the same time. Inspection requirements for micro dispensary delivery vehicles are found in COMAR 14.17.12.03D(10). This inspection will also test the operations and effectiveness of the agent body cameras.

Is there a compliance/inspection checklist available for licensees to help with compliance?

<u>COMAR 14.17.12.03–.11</u> delineate all facility and procedural requirements for micro dispensaries. OCR will use the provisions of these regulations to assess a micro dispensary's readiness for operations.

Every application and every conditional licensee is different and the timelines for each application are going to vary depending on the type of license, the number of owners, and a variety of other factors. However, MCA provided <u>this general timeline</u> in a letter sent to your point-of-contact to assist you in making plans.

Does the shelf-space requirement apply to micro dispensaries?

Yes. <u>COMAR 14.17.12.06D</u> requires that social equity dispensary licensees ensure that at least 25% of products available for retail sale are grown, manufactured, extracted, or otherwise produced by licensees that have no common ownership interest or control with the dispensary licensee. If a micro dispensary licensee partners with a standard dispensary to deliver the standard dispensary's inventory and does not have its own inventory, the standard dispensary is responsible for compliance with <u>COMAR 14.17.12.06B</u>. MCA will use METRC to monitor compliance with this requirement.

Does MCA require micro dispensaries to allow adult-use customers to shop anonymously? If it does, how would the MCA like the micro dispensary licensee to accommodate the sale, if name, address, contact, age verification is required?

No. While adult-use consumers must have the opportunity to opt out of a dispensary saving their information to create a customer profile, a dispensary must still collect the name and birthday of an individual submitting an online/telephone order for the limited purpose of verifying that the individual picking up the order is the same individual who ordered it. A dispensary's ordering system may offer to save the individual's name and birthdate to create a customer profile but may not create a customer profile record without their express consent. See COMAR 14.17.12.04B(10) and COMAR 14.17.12.08C and D.

MCA encourages early and continuous communication regarding inspection readiness, operational challenges, and compliance solutions.