

**IN THE MATTER OF
CANNAMD, LLC, D/B/A
RELEAF SHOP**

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**BEFORE THE MARYLAND
CANNABIS ADMINISTRATION**

Respondent

MCA Case No. 23-00315

License No. DA-23-00021

OAH Case No. MCA-CITY-04-24-10775

* * * * *

FINAL DETERMINATION AND ORDER

INTRODUCTION

On November 29, 2023, the Maryland Cannabis Administration (MCA) filed Administrative Charges and Fine Notice Under the Cannabis Reform Act, Md. Code Ann., Alc. Bev. and Cannabis Art., § 36-901, et. seq. (2023), against CannaMd, LLC, d/b/a Releaf Shop (Respondent). The MCA asserted the Respondent violated Maryland's Cannabis Reform Act by advertising at an event on August 19, 2023, where minors were a direct or indirect target audience and continuing to engage in advertising by means of placing an advertisement in a publicly visible location. Alc. Bev. & Cannabis Art. § 36-903(a)(2)(ii) and (a)(2)(v) (2016 & Supp. 2023)¹.

On April 22, 2024, the MCA delegated this matter to the Office of Administrative Hearings (OAH) with following delegation: for an Administrative Law Judge (ALJ) to conduct an evidentiary hearing and prepare final findings of fact and proposed

¹ At the time of the violation, §36-903(a)(2) stated in relevant part: “An advertisement for a cannabis licensee, cannabis product, or cannabis-related service may not:

(ii) directly or indirectly target individuals under the age of 21 years;

* * *

or

(v) engage in advertising by means of placing an advertisement on the side of a building or another publicly visible location of any form, including a sign, a poster, a placard, a device, a graphic display, an outdoor billboard, or a freestanding signboard.”

The statute has since been amended, and these provisions are now found in §36-903(a)(1)(ii) and (a)(1)(v).

conclusions of law related to the MCA's amended charges against Respondent occurring on August 19, 2023.

Both parties filed Prehearing Conference Statements to OAH. The parties appeared by counsel for a pre-hearing conference on July 8, 2024. On August 16, 2024, the MCA filed Amended Administrative Charges and Fine Notice Under the Act. The Amended Charges added an alleged violation of Md. Code Ann., Alc. Bev. & Cannabis Art. § 36-903(a)(2)(iv), "engaging in advertising . . . unless at least 85% of the audience is reasonably expected to be at least 21 years old as determined by reliable and current audience composition data." The Respondent did not object to the Amended Charges.

The OAH held a one-day hearing on August 19, 2024. At the hearing, the MCA withdrew the alleged violation of (a)(1)(v). On November 15, 2024, the ALJ issued Findings of Fact, Proposed Conclusions, which also included a Proposed Order that MCA dismiss the amended charges filed against the Respondent. On December 9, 2024, the State of Maryland (through the Office of the Attorney General) filed exceptions to the Findings of Fact and Conclusions of Law and requested a hearing. The Respondent did not file a written Response. At the hearing, the State objected to the Respondent presenting argument due to their failure to file a written response to the exceptions. The objection was noted and overruled, consistent with the Respondent's right to present argument under Maryland Code Annotated, State Gov't § 10-216. The MCA held an exceptions hearing on February 26, 2025.

FINDINGS OF FACT

The MCA adopts the ALJ's Findings of Fact 1 through 20, including stipulated facts, which are incorporated by reference into the body as if set forth in full and are attached hereto as Exhibit 1, pursuant to the delegation. The ALJ found that the factual findings were proved by a preponderance of the evidence.

LEGAL ANALYSIS

ALJ's Conclusions of Law

The charges of violations are found at paragraphs 7 through 9 of the Amended Administrative Charging Document. In its December 9, 2024, filing, the State of Maryland (through the Office of the Attorney General) filed exceptions to two of the ALJ's proposed conclusions of law:

1. That § 36-903(a)(2)(ii) was ambiguous and did not clearly prohibit the Respondent's conduct at the Festival; and
2. That the Respondent's signage did not constitute a "publication" under § 36-903(a)(2)(iv).

As the proposed conclusions of law are not final, MCA has the discretion in adopting them. The MCA's findings are discussed below.

Analysis of § 36-903(a)(2)(ii)

This subsection prohibits advertising that "directly or indirectly targets individuals under the age of 21." Pursuant to Md. Code Ann., Alc. Bev. & Cannabis Art. § 36-901(a), "'advertisement' means the publication, dissemination, or circulation of any auditory, visual, digital, oral, or written matter which is directly or indirectly calculated to induce the sale of cannabis or any cannabis-related product or service." In Findings of Fact 16², the ALJ notes that the Respondent's tent conspicuously displayed the Respondent's logo and name and was located adjacent to a playground where children were playing. In Findings of Fact 17, the ALJ notes that under the tent were two folding tables, one of which had a banner hanging from it displaying the Respondent's logo and name, as well as some folding chairs. Based on the language in the statute, a tent fits the definition of a "publication, dissemination, or circulation of any auditory, visual, digital, oral, or written matter." While there is seemingly no dispute over this part of the language in the statute, the ALJ's analysis of this alleged violation centered around what

² The parties stipulated to this Findings of Fact.

constitutes ‘targeting.’ In doing so, the ALJ found that there was no violation because the “Respondent being near a playground where children were playing was an inadvertent occurrence and not a deliberate action taken by the Respondent.”³ I decline to adopt the ALJ’s reasoning on this point for the reasons outlined below.

In Findings of Fact 9, the ALJ notes that on the 2023 website for the Hot August Music Festival (Festival), there was a “kids” tab, under which was listed a “kids’ corner,” at which there was to be a hat making activity, a harmonica workshop, and a drumming circle. Both parties acknowledged during the Exceptions Hearing that the event itself indirectly targeted individuals under 21⁴, though Respondent argued that Respondent’s presence at the event did not constitute indirect targeting under the statute. There is no intent prescribed in § 36-903(a)(2)(ii) as it pertains to “targeting;” however, the Respondent’s tent did not exist in a vacuum, as such the MCA examines other contextual indicators such as placement, audience, and event characteristics. The tent’s location—adjacent to a playground and near the event entrance—placed the Respondent’s signage in a high-traffic area frequented by attendees under the age of 21.

While the Respondent asserted that it had no control over the placement of its tent, this factor alone does not negate the impact of the advertisement. This conclusion is further supported by the ALJ’s own observation: “To be sure, the Festival was attended by children and the Festival indirectly targeted children, by having a ‘kids’ corner’ with children’s activities”⁵.

The ALJ reasoned that Respondent’s placement was inadvertent and not an intentional targeting of minors. However, the plain meaning of "indirect" targeting does not require intent—only that the advertisement reasonably reaches an underage audience. So while the ALJ concluded that the festival indirectly targeted children, she failed to conclude that the Respondent’s tent indirectly targeted minors. I do not adopt this logic. Here, the combination of the Respondent’s conspicuous signage, the location assigned,

³ See ALJ’s Proposed Decision, Page 14.

⁴ See Exceptions Hearing Transcript, pp. 18–19 (Respondent’s counsel acknowledging the event “could indirectly target minors or individuals under the age of 21”); p. 17 (State arguing the Festival was “specifically targeted at families” and included a “kids section”).

⁵ See ALJ’s Proposed Decision, Page 14.

and the youth-oriented programming at the event supports a finding that the advertisement indirectly targeted individuals under 21.

Finding of Fact 3⁶ notes that on June 12, 2024, Respondent was issued a Cease and Desist Notice and fined for its use of a billboard displaying its name and logo alongside a major highway in Maryland, which is a separate advertising violation under the same statutory provision. While not determinative, the prior enforcement action under § 36-903(a)(2)(ii) provides relevant context: the Respondent was, or should have been aware, of how public-facing signage may result in exposure to underage individuals, resulting in a violation.

Analysis of § 36-903(a)(2)(iv)

This provision prohibits advertising by means of “television, radio, Internet, mobile application, and social media, or other electronic communication, or print publication,” unless 85% of the audience is reasonably expected to be 21 or older.

The ALJ concluded that the Respondent’s tent and signage did not constitute a “print publication.”⁷ However, the definition of “advertisement” under § 36-901(a) includes “publication,” and the statutory structure distinguishes between “publication,” “dissemination,” or “circulation.” Therefore, the Respondent’s tent and banner—both bearing Respondent’s logo and positioned for public visibility—fall within the ordinary meaning of a publication. In asserting that print publication requires distribution, the ALJ applied an unduly narrow construction that is neither required by the statute nor consistent with its structure.

In response to questioning at the Exceptions Hearing, the State clarified that its contention that the tent constituted a “print publication” rests on the presence of signage displaying the Respondent’s name and logo. The State asserted that, consistent with prior enforcement actions and cease and desist orders, any visual display disseminating the licensee’s branding—whether in the form of a billboard, sign, or event display—qualifies as a “publication” under the statutory definition of “advertisement.” The State criticized

⁶ The parties stipulated to this Findings of Fact

⁷ See ALJ’s Proposed Decision, Page 11.

the ALJ's interpretation of "print publication" as overly narrow and inconsistent with the MCA's historical understanding of how signage functions as advertising. The MCA's longstanding enforcement practices have recognized that conspicuous signage constitutes a form of publication, and thus advertising, under the statute.

While I reject the ALJ's narrow interpretation of "print publication," the ALJ made no finding of fact regarding whether at least 85% of the Festival's attendees were 21 or older. Without such a finding, and without authority to make new factual determinations, I cannot conclude that Respondent violated § 36-903(a)(2)(iv), regardless of whether the advertisement qualifies as a publication. Accordingly, I do not reverse the ALJ's proposed conclusion of law as to subsection (iv), because the record lacks the factual foundation to support a violation.

PENALTIES

Respondent's disciplinary history includes an advertising violation in the 24 months prior to the advertising event on August 19, 2023 at the Hot August Music Festival held at Oregon Ridge Park in Cockeysville, Maryland 21030.

In case number 23-00209, Respondent was issued a Cease and Desist Notice on June 12, 2023 and fined for its use of a billboard displaying its name and logo alongside a major highway in Maryland, in violation of Alc. Bev. & Cannabis Art. § 36-903(a)(2)(ii). The Respondent's history demonstrates both notice and an awareness of issues related to an advertisement directly or indirectly targeting individuals under the age of 21. Accordingly, that incident serves as an aggravating factor in determining an appropriate penalty. I find the Respondent has violated the following regulation(s), as stated the Amended Charges:

1. Violation of Alc. Bev. & Cannabis Art. § 36-903(a)(2)(ii) by Respondent's conduct of advertising at functions where minors are a target audience.

I find that Respondent engaged in advertising that indirectly targeted individuals under 21 in violation of § 36-903(a)(2)(ii) based on the conspicuous placement of

branded signage at an event featuring youth-oriented programming and attended by individuals under 21. The maximum penalty for a second violation within a 24 month period under COMAR 14.17.14.06(B)(1)(b)(2023)⁸ is \$5,000. As noted *supra*, the Respondent was previously fined for an advertising violation within the preceding 24-month period. Respondent has had no subsequent advertising violations since the August 2023 incident. Accordingly, I impose a penalty of \$2,500 for this violation.

ORDER

Based on the foregoing discussion and the Findings of Fact and Conclusions of Law adopted by MCA, it is hereby

ORDERED the Respondent shall pay a fine to the Cannabis Business Assistance Fund in the amount of \$2,500; and

ORDERED that Respondent must pay the fine within 3 months of the date of this Order; and it is further

ORDERED that this Order is a PUBLIC DOCUMENT pursuant to Md. Code Ann., Gen. Prov. §§ 4-401 et seq. (2021).

05/13/2025

Date



Nicole Stanovsky, Hearing Officer

RIGHT TO APPEAL

Pursuant to COMAR 14.17.22.10(E), this Final Determination and Order exhausts all administrative remedies. COMAR 14.17.22.12 grants any party the right to appeal this determination to the Circuit Court for Anne Arundel County if done so within 30 days of receipt of this Order.

⁸ The fine imposed reflects the amount authorized by the regulation in effect in 2023. The regulation has since been amended, and the applicable provisions are now found in COMAR 14.17.14.06(B).

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**IN THE MATTER OF
CANNAMD, LLC, D/B/A
RELEAF SHOP**

Respondent

License No. DA-23-00021

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**BEFORE THE MARYLAND
CANNABIS ADMINISTRATION**

MCA Case No. 23-00315

OAH Case No. MCA-CITY-04-24-10775

*** * * * ***

EXHIBIT 1

MARYLAND CANNABIS

ADMINISTRATION

v.

CANNAMD, LLC, D/B/A

RELEAF SHOP,

RESPONDENT

* BEFORE DEBORAH S. RICHARDSON,

* AN ADMINISTRATIVE LAW JUDGE

* OF THE MARYLAND OFFICE

* OF ADMINISTRATIVE HEARINGS

* OAH No.: MCA-CITY-04-24-10775

* MCA Case No.: 23-00315

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PROPOSED DECISION

STATEMENT OF THE CASE
ISSUES
SUMMARY OF THE EVIDENCE
FINDINGS OF FACT
DISCUSSION
PROPOSED CONCLUSIONS OF LAW
RECOMMENDED ORDER

STATEMENT OF THE CASE

On November 29, 2023, the Maryland Cannabis Administration (MCA) filed Administrative Charges and Fine Notice Under the Cannabis Reform Act, Md. Code Ann., Alc. Bev. and Cannabis Art., § 36-501, et. seq. (2023), against CannaMd, LLC, dba Releaf Shop (Respondent). The MCA asserted the Respondent violated Maryland's Cannabis Reform Act (Act) by advertising at an event on August 19, 2023 where minors were a direct or indirect target audience and continuing to engage in advertising by means of placing an advertisement in a publicly visible location. Alc. Bev. & Cannabis Art. §36-903(a)(2)(ii) and (a)(2)(v) (2016 & Supp. 2023).¹ On April 22, 2024, the MCA delegated this matter to the Office of Administrative Hearings (OAH) to conduct an evidentiary hearing and prepare final findings of fact and proposed conclusions of law.

¹ The statute has since been amended and these provisions are now found in §36-903(a)(1)(ii) and (a)(1)(iv).

Both parties filed Prehearing Conference Statements. On July 8, 2024, I held a remote prehearing conference (Conference) via Webex. Code of Maryland Regulations (COMAR) 28.02.01.20B(1)(b). At the Conference, Ms. Gibbs clarified that the MCA is pursuing this matter to collect a \$5,000.00 fine from the Respondent, but that it does not intend to sanction the Respondent's license. On July 9, 2024, I issued a Prehearing Conference Report and Scheduling Order.

On August 16, 2024, the MCA filed Amended Administrative Charges and Fine Notice Under the Act. The Amended Charges added an alleged violation of Alc. Bev. & Cannabis Art. § 36-903(a)(2)(iv), "engaging in advertising . . . unless at least 85% of the audience is reasonably expected to be at least 21 years old as determined by reliable and current audience composition data." The Respondent did not object to the Amended Charges.

On August 19, 2024, I convened a remote video hearing using the Webex video conferencing platform. COMAR 28.02.01.20B. Administrative Prosecutors Francesca Gibbs and Cynthia Weisz represented the MCA. Lauren Boyce, MCA Regulatory and Compliance Specialist, appeared as the Agency Representative. Kayleigh Keilty, Esquire, represented the Respondent. Connor Whelton, the Respondent's owner, appeared as the party representative for the Respondent.

The Administrative Procedure Act, the Hearing Procedures of the MCA, and the Rules of Procedure of the OAH govern the procedure in this case. Md. Code Ann., State Gov't §§ 10-201 through 10-226 (2021 and Supp. 2024); COMAR 14.17.22; and COMAR 28.02.01.

ISSUES

1. Did the Respondent violate the Act by directly or indirectly targeting individuals under the age of 21 years?

2. Did the Respondent violate the Act by engaging in advertising by means of television, radio, Internet, mobile application, and social media, or other electronic communication, or print publication, unless at least 85% of the audience is reasonably expected to be at least 21 years old as determined by reliable and current audience composition data?

SUMMARY OF THE EVIDENCE

Exhibits

I admitted the following as joint exhibits:

- Jt. Ex. 1: MCA's Investigative Report, August 24, 2023
- Jt. Ex. 2: Not offered
- Jt. Ex. 3: Email from Howard Wittbecker, August 24, 2023
- Jt. Ex. 4: Email from Ryan Glaeser to Mr. Wittbecker, December 15, 2023
- Jt. Ex. 5: License Agreement, January 19, 2023
- Jt. Ex. 6: Letter from Mr. Glaeser To Whom It May Concern, undated
- Jt. Ex. 7: Screenshots from hotaugustmusicfestival.com, undated
- Jt. Ex. 8: Email chain between the MCA and Connor Whelton, December 20, 2023 through January 19, 2024
- Jt. Ex. 9: Photographs of Hot August Music Festival, undated (last three pages not admitted)

Testimony

The MCA presented testimony from Ms. Boyce and Howard Wittbecker, Inspector/Investigator for the MCA.

The Respondent presented testimony from Mr. Whelton and Ryan Glaeser, Owner and Operator of the Hot August Music Festival.

FINDINGS OF FACT²

I find the following facts by a preponderance of the evidence:

1. Respondent is a licensed Maryland cannabis dispensary located at 1114 Cathedral Street, Baltimore, Maryland 21030.*
2. Mr. Whelton is the owner of the Respondent.
3. On June 12, 2023, in case number 23-00209, the Respondent was issued a Cease and Desist Notice and fined for its use of a billboard displaying its name and logo alongside a major highway in Maryland, in violation of Alc. Bev. & Cannabis Art. § 36-903(a)(2)(ii).*
4. The Hot August Music Festival (Festival) has been held for about 30 years, the past 16 years at Oregon Ridge Park (Park), owned by Baltimore County, located at 13401 Beaver Dam Road, Cockeysville, Maryland 21030.
5. The Festival rents the Park from Baltimore County and sells tickets to attendees of the Festival. The Festival also earns revenue through alcohol sales.
6. The Festival sells tickets in advance and at the door. In addition, attendees must pay for parking.
7. The festival is not restricted to adults 21 and older.* The Festival's core demographic is men and women aged 35-55. The Festival does not require children under age 12 to have a ticket but they must have a ticket holding adult accompanying them. The Festival's attendance over the years has been over 85% of people over the age of 21.
8. On August 19, 2023, the Festival was held at the Park.
9. On the 2023 website for the Festival, there was a "kids" tab, under which was listed a "kids' corner," at which there was to be a hat making activity, a harmonica workshop, and a drumming circle.

² The parties stipulated to the Findings of Fact designated with *.

10. The Respondent paid to be an event sponsor of the Festival, and in return was allowed to set up an information tent in a ten-by-ten foot space at the Festival.

11. The Park was closed to the public for the entire duration of the event.*

12. The Festival put up fencing around the Festival area. The Festival posts an employee at the entrance to the Park, checking that the only people entering are those with parking permits for the Festival. The Park put up a large sign two days prior to the Festival saying the Park was closed for a ticketed event.

13. The Park has a playground. On the day of the Festival, the playground was closed to ticketed attendees of the Festival. The playground is gated and is surrounded by a four-foot high green chain link fence. On the day of the Festival, the Park staff installed temporary orange fencing to deter persons from using the playground; the Festival zip-tied the two gates shut; and the Park put up signs informing the attendees that the playground was closed during the Festival.

14. On the morning of the Festival, the Festival assigned the Respondent a location for its tent, near the entrance gate and the playground. When the Respondent's employee arrived to set up, the Festival was not yet open to attendees and the playground was closed and locked as described above.

15. At some time during the Festival, several children accessed the playground by jumping over the fence or being lifted over the fence by an adult.

16. The Respondent's tent conspicuously displayed the Respondent's logo and name and was located adjacent to a playground where children were playing.*

17. Under the tent were two folding tables, one of which had a banner hanging from it displaying the Respondent's logo and name, as well as some folding chairs.

18. The Respondent did not sell or distribute product at the [Festival].*

19. The Respondent did not distribute pamphlets, print information, or any type of merchandise. The Respondent's employee only provided verbal information to adult attendees about the Respondent's products.

20. On August 23, 2023, the MCA was notified of the Respondent's canopy/tent being displayed at the Festival on August 19, 2023 at the Park.*

DISCUSSION

Legal Framework

At the time of the events at issue in this case, the Maryland Code provided as follows with respect to advertising cannabis product:³

- (a)(1) This subsection does not apply to an advertisement placed on property owned or leased by a dispensary, grower, or processor.
- (2) An advertisement for a cannabis licensee, cannabis product, or cannabis-related service may not:
 - (i) violate Title 13, Subtitle 3 of the Commercial Law Article;
 - (ii) directly or indirectly target individuals under the age of 21 years;
 - (iii) contain a design, an illustration, a picture, or a representation that:
 - 1. Targets or is attractive to minors, including a cartoon character, a mascot, or any other depiction that is commonly used to market products to minors;
 - 2. Displays the use of cannabis, including the consumption, smoking, or vaping of cannabis;
 - 3. Encourages or promotes cannabis for use as an intoxicant; or
 - 4. Is obscene;
 - (iv) engage in advertising by means or television, radio, Internet, mobile application, and social media, or other electronic communication, or print publication, unless at least 85% of the audience is reasonably expected to be at least 21 years old as determined by reliable and current audience composition data; or
 - (v) engage in advertising by means of placing an advertisement on the side of a building or another publicly visible location of any form, including a sign, a poster, a placard, a device, a graphic display, an outdoor billboard, or a freestanding signboard.

Md. Code Ann., Alc. Bev. and Cannabis Art., § 36-903 (2016 & Supp. 2023).

³ As will be discussed below, the statute was later amended.

With respect to advertising, COMAR provides as follows:

A. All advertisements for cannabis products, businesses, licensees, or other cannabis-related services shall comply with the requirements of Alcoholic Beverages and Cannabis Article, §§36-901—36-903, Annotated Code of Maryland .

B. A standard licensee, registrant, agent, or employee who violates §A of this regulation:

(1) Is subject to a fine not exceeding:

(a) \$1,000 for the first violation;

(b) \$10,000 for the second violation occurring within 24 months after the first violation;

(c) \$25,000 the third violation occurring within 24 months after the second violation; and

(d) \$50,000 for each subsequent violation occurring within 24 months after the preceding violation; and

(2) May elect to:

(a) Pay the imposed fine; or

(b) Request a hearing not later than 30 days from the receipt of the fine.

C. Any violations that occurred between May 3, 2023, and the effective date of these regulations count for purposes of calculating the appropriate fine.

D. In accordance with the hearing provisions in Regulation .05 of this chapter, the Administration may deny, suspend, or revoke the license or registration of a licensee, registrant, agent, or employee who violates §A of this regulation.

COMAR 14.17.14.06.

Burden of Proof

“In the hearing of a contested case involving allegations that the party violated a law or regulation, the presenter of evidence for the Administration shall bear the burden of proving that the party committed the violations that resulted in the Administration’s action against a party.” COMAR 14.17.22.09D(2). Therefore, the MCA bears the burden of proof in this matter.

The standard of proof is by a preponderance of the evidence. COMAR 14.17.22.09D(1). To prove an assertion or a claim by a preponderance of the evidence means to show that it is “more likely so than not so” when all the evidence is considered. *Coleman v. Anne Arundel Cty. Police Dep’t*, 369 Md. 108, 125 n.16 (2002); *see also Mathis v. Hargrove*, 166 Md. App. 286, 310 n.5 (2005).

The Parties’ Positions

The MCA charged in the Amended Administrative Charges that the Respondent violated subsections (a)(2)(ii), (a)(2)(iv), and (a)(2)(v) of section 36-903 of the Alcoholic Beverages and Cannabis Article of the Maryland Code. At the hearing, the MCA abandoned the alleged violation of (a)(2)(v).

With respect to subsection (a)(2)(iv), the MCA argued that the Respondent advertised by virtue of an event sponsorship at the Festival and did not establish that the attendance was reasonably expected to be at least 85% over the age of 21. Specifically, the MCA argued that it was the Respondent’s burden to produce evidence on audience composition data to the MCA. The MCA argued that the Respondent did not avail itself of the MCA’s voluntary process through which a cannabis dispensary can submit its proposed advertising for prior approval.

With respect to subsection (a)(2)(ii), the MCA acknowledged that a cannabis dispensary is allowed under the law to advertise at an event where children are present. However, the MCA argued that the Respondent’s advertisement directly or indirectly targeted children because the

Respondent's event sponsorship tent was placed in front of a playground at which children were playing. Moreover, the MCA argued that the Festival itself targeted children, by providing free ticketing to children under 12, and by the children's activities scheduled at the Festival.

Therefore, advertising at this Festival, according to the MCA, directly or indirectly targeted children.

Analysis

Alleged Violation of Subsection (a)(2)(iv)

At the time of the festival, the Act prohibited "advertising by means or television, radio, Internet, mobile application, and social media, or other electronic communication, or print publication, unless at least 85% of the audience is reasonably expected to be at least 21 years old as determined by reliable and current audience composition data." Md. Code Ann., Alc. Bev. § 36-903(a)(2)(iv) (2016 & Supp. 2023). I heard a significant amount of testimony about whether the Respondent could reasonably have expected 85% of the audience composition of the Festival to have been at least 21 years of age. Mr. Glaeser, the owner of the Festival, testified that the core demographic of the Festival is adults who can buy and drink alcohol, which is the main source of the Festival's revenue. The Festival only allows children and provides limited children's activities, to make it easier for adults who have children to attend. Mr. Glaeser testified and wrote to the MCA that based on his experience of running the Festival for 30 years, he found it reasonable to expect 85% of the attendees to be over the age of 21. The MCA found the opinion of Mr. Glaeser, without accompanying ticket sale data, to be unpersuasive. Moreover, the MCA contended that it was the Respondent's burden to prove the audience composition.

Ultimately, it is unnecessary for me to decide whether it was reasonable to anticipate that 85% of the attendees of the Festival would be at least 21 years of age because this statute does

not apply to the Respondent putting up a tent with its name and logo displayed at the Festival. Sponsoring an event, in the present case by sitting under an information tent at the Festival, unequivocally does not fit under the categories of television, radio, Internet, mobile application, social media, or other electronic communication, all listed in this subsection of the statute. Therefore, the only category that could possibly address the Respondent's action could be "print publication." As the evidence presented at the hearing established that the Respondent did not distribute any fliers, pamphlets, or printed material to Festival attendees, I asked the MCA the basis for its allegation that there had been a "print publication." It contended that the Respondent's name and logo on the tent and the banner on the folding table under the tent constituted the prohibited "print publication."

There is no definition of "print publication" in the Act. Instead, only "advertisement" is defined, as "the publication, dissemination, or circulation of any auditory, visual, digital, oral, or written matter, which is directly or indirectly calculated to induce the sale of cannabis or any cannabis-related product or service." Alc. Bev. & Cannabis Art. § 36-901(a). This definition does not shed any light on the meaning of "print publication."

The cardinal rule of statutory construction is to "ascertain and effectuate the intention of the legislature." *Md.-Nat'l Capital Park & Planning Comm'n v. Anderson*, 395 Md. 172, 182 (2006) (citations and quotations omitted). As the Supreme Court of Maryland⁴ explained:

"to determine that purpose or policy, we look first to the language of the statute, giving it its natural and ordinary meaning." . . . *see also Chow v. State*, 393 Md. 431, 443, 903 A.2d 388 (2006) (stating that "[s]tatutory construction begins with the plain language of the statute, and the ordinary, popular understanding of the English language dictates the interpretation of its terminology") (citations omitted). "We do so on the tacit theory that the General Assembly is presumed to have meant what it said and said what it meant." *Lillian C. Blentlinger, LLC v. Cleanwater Linganore, Inc.*, 456 Md. 272, 294, 173 A.3d 549 (2017) ("Blentlinger") (citations omitted). "When the statutory language is clear, we need not look beyond the statutory language to determine the Legislature's intent."

⁴ The Supreme Court of Maryland was known as the Court of Appeals until December 14, 2022.

Walzer v. Osborne, 395 Md. 563, 572, 911 A.2d 427 (2006) (citations and quotations omitted). “If the words of the statute, construed according to their common and everyday meaning, are clear and unambiguous and express a plain meaning, we will give effect to the statute as it is written.” *Blentlinger*, 456 Md. at 294, 173 A.3d 549 (citations omitted). Additionally, we “neither add nor delete words to a clear and unambiguous statute to give it a meaning not reflected in the words the Legislature used or engage in forced or subtle interpretation in an attempt to extend or limit the statute’s meaning.” *Walzer*, 395 Md. at 572, 911 A.2d 427 (citations and quotations omitted). “If there is no ambiguity in the language, either inherently or by reference to other relevant laws or circumstances, the inquiry as to legislative intent ends.” *Blentlinger*, 456 Md. at 294, 173 A.3d 549 (citation omitted); *Walzer*, 395 Md. at 572, 911 A.2d 427 (citations and quotations omitted).

75-80 Properties, L.L.C. v. Rale, Inc., 470 Md. 598, 623-624 (2020).

Applying these principles, the MCA’s interpretation of “print publication” to include the Respondent’s name and logo on its information tent goes against the plain language of the statute. The meaning of “print publication” is clear. Print publication is a newspaper, magazine, pamphlet or flier that is issued in print hard copy format as opposed to digitally or electronically. It applies to a physical item intended to be distributed to a consumer, as opposed to a sign that is simply available to be read by a passer-by. There is no ambiguity in this subsection that would lead me to delve further into the legislature’s intent. Applying this meaning of “print publication,” is the “plainest language . . . controlled by the context in which it appears.” *Md. Dep’t of the Env’t v. Cty. Comm’rs of Carroll Cty.*, 465 Md. 169, 203 (2019) (citations and quotations omitted). The Respondent’s logo and name on its tent and banner do not constitute a “print publication” and, therefore, I find the Respondent did not violate this subsection.

Alleged Violation of Subsection (a)(2)(ii)

Subsection (a)(2)(ii) prohibits advertising that directly or indirectly targets children. The language of this subsection is not as clear as subsection (a)(2)(iv) discussed above. “Directly or indirectly target individuals under the age of 21” cannot relate to at least 85% of the audience composition being at least 21 years of age because that is directly addressed by subsection

(a)(2)(iv). It also cannot refer to utilizing signs, illustrations, or pictures, such as cartoon characters or mascots that appeal to children, because those actions are addressed by subsection (a)(2)(iii). So, the question remains of what exactly subsection (a)(2)(ii) prohibits that is not already addressed by the other portions of this statute. When I questioned the MCA, it responded that the Respondent directly or indirectly targeted children by the Respondent placing its event sponsorship tent at an event targeted to children, attended by children, near the playground, when children were playing on the playground.

The meaning of “directly or indirectly” targeting children is ambiguous in light of the statutory scheme as a whole. Because the statute is ambiguous, I am required to “resolve the ambiguity by searching for legislative intent in other indicia, including the history of the legislation or other relevant sources intrinsic and extrinsic to the legislative process.”

Westminster Management, LLC v. Smith, 486 Md. 616, 645-646 (2024) (citations and quotations omitted). Such sources include “the derivation of the statute, comments and explanations regarding it by authoritative sources during the legislative process, and amendments proposed or added to it.” *Id.* (citing *Boffen v. State*, 372 Md. 724, 737, 816 A.2d 88 (2003) (quoting *Goldberg v. Miller*, 371 Md. 591, 602, 810 A.2d 947 (2002))). “[T]he history of the passage of the law, the reports of committees and commissions, the introduction of amendments and testimony given before legislative committees” aid in examining legislative intent. *Bledsoe v. Bledsoe*, 294 Md. 183, 189, 448 A.2d 353 (1982).

There is nothing in the legislative history of the statute that sheds light on the meaning of subsection (a)(2)(ii). However, the statute, as it existed in 2023 at the time of the Festival, makes

no mention at all of event sponsorship. But the statute was amended in 2024, effective April 25, 2024, and currently reads as follows:

(a)(1) An advertisement for a cannabis licensee, cannabis product, or cannabis-related service may not:

- (i) violate Title 13, Subtitle 3 of the Commercial Law Article;
- (ii) directly or indirectly target individuals under the age of 21 years;
- (iii) contain a design, an illustration, a picture, or a representation that:
 - 1. targets or is attractive to minors, including a cartoon character, a mascot, or any other depiction that is commonly used to market products to minors;
 - 2. displays the use of cannabis, including the consumption, smoking, or vaping of cannabis;
 - 3. encourages or promotes cannabis for use as an intoxicant; or
 - 4. is obscene;
- (iv) engage in advertising by means of television, radio, Internet, mobile application, social media, or other electronic communication, *event sponsorship*, or print publication, unless at least 85% of the audience is reasonably expected to be at least 21 years old as determined by reliable and current audience composition data; or
- (v) except as provided in paragraph (2) of this subsection, engage in advertising by means of placing an advertisement on the side of a building or another publicly visible location of any form, including a sign, a poster, a placard, a device, a graphic display, an outdoor billboard, or a freestanding signboard.

(2) A cannabis business may place exterior signage on the premises of the business for the limited purpose of identifying the business to the public.

Md. Code Ann., Alc. Bev. and Cannabis Art., § 36-903(a) (2024) (emphasis added). Notably, “event sponsorship” was added to the statute. The legislature amended this statute to include event sponsorship, implicitly acknowledging that event sponsorship was not covered by the 2023 version of the statute. As the legislature did not read into the statute an item that was not there – event sponsorship – nor shall I. Therefore, the Respondent having a tent with its name and logo

prominently displayed at an event, even one attended by children, was not a violation of the statute as it existed in 2023.

To be sure, the Festival was attended by children and the Festival indirectly targeted children, by having a “kids’ corner” with children’s activities. But the Festival indirectly targeting children does not equate to the Respondent’s advertisement indirectly targeting children. The MCA argued that beyond the Festival targeting children, the advertisement itself targeted children because the Respondent’s tent was set up by the playground, where children were playing.

On this issue, it is important to note that the Park and the Festival made more than reasonable attempts to close the playground during the Festival and to prevent children from playing there. But, through no fault of the Respondent, children obtained access anyway. The placement of the Respondent’s tent by the playground was not its doing; that spot was chosen by the Festival. And the Respondent’s employee would have had no way of knowing when he or she set up the tent that children would access the closed playground, as there was no one in attendance during set up, the gates of the playground were zip-tied closed, there was permanent wire fencing as well as temporary orange fencing surrounding the playground, and the Park had put up signs stating that the playground was closed.

The Respondent being near a playground where children were playing was an inadvertent occurrence and not a deliberate action taken by the Respondent. Subsection (a)(2)(ii) prohibits the Respondent from directly or indirectly **targeting** individuals under the age of 21. The term target implies an intentional act. *See Merriam-Webster Dictionary*, www.merriam-webster.com/dictionary/target (last visited November 11, 2024) (target – a transitive verb “to make a target of”). I do not find that the Respondent having a tent at the Festival with its name

and logo on it, near the playground with children playing, was a violation of subsection (a)(2)(ii) of the Act as it existed at that time, under the unique circumstances of this case.

PROPOSED CONCLUSIONS OF LAW

I **PROPOSE** that the MCA find that the Respondent did not violate Alc. Bev. §36-903(a)(2)(ii), (a)(2)(iv) or (a)(2)(v) (2016 & Supp. 2023).

RECOMMENDED ORDER

I **PROPOSE** that the MCA dismiss the amended charges filed against the Respondent in this matter.

November 15, 2024
Date Report and Order Mailed

Deborah S. Richardson
Deborah S. Richardson
Administrative Law Judge

DSR/ja
#214682

RIGHT TO FILE EXCEPTIONS

The Maryland Cannabis Administration delegated the contested case determination to the Office of Administrative Hearings. COMAR 14.17.22.04C. Any party adversely affected by this proposed decision has the right to present argument and file written exceptions with the Maryland Cannabis Administration within twenty-one (21) days of receipt of this decision. COMAR 14.17.22.10B; Md. Code Ann., State Gov't §§ 10-216(a)(1), 10-220 (2021). The Maryland Cannabis Administration or its designee will review timely exceptions before rendering the final decision. COMAR 14.17.22.10C; Md. Code Ann., State Gov't §§ 10-216(a)(3), 10-220 (2021). The Office of Administrative Hearings is not a party to any review process.

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**MARYLAND CANNABIS
ADMINISTRATION**

v.

**CANNAMD, LLC, D/B/A
RELEAF SHOP,
RESPONDENT**

*** BEFORE DEBORAH S. RICHARDSON,
* AN ADMINISTRATIVE LAW JUDGE
* OF THE MARYLAND OFFICE
* OF ADMINISTRATIVE HEARINGS
* OAH No.: MCA-CITY-04-24-10775
* MCA Case No.: 23-00315**

* * * * *

FILE EXHIBIT LIST

I admitted the following as joint exhibits:

- Jt. Ex. 1: MCA's Investigative Report, August 24, 2023
- Jt. Ex. 2: Not offered
- Jt. Ex. 3: Email from Howard Wittbecker, August 24, 2023
- Jt. Ex. 4: Email from Ryan Glaeser to Mr. Wittbecker, December 15, 2023
- Jt. Ex. 5: License Agreement, January 19, 2023
- Jt. Ex. 6: Letter from Mr. Glaeser To Whom It May Concern, undated
- Jt. Ex. 7: Screenshots from hotaugustmusicfestival.com, undated
- Jt. Ex. 8: Email chain between the MCA and Connor Whelton, December 20, 2023 through January 19, 2024
- Jt. Ex. 9: Photographs of Hot August Music Festival, undated (last three pages not admitted)