



### Micro Dispensary Listening Session June 26, 2025



# **Micro Dispensary Defined**

<u>Alcoholic Beverages & Cannabis Article § 36-401(c)(2)(iii)</u> authorizes a micro dispensary to operate a delivery service that sells cannabis or cannabis products without a physical storefront, provided that the licensee employs not more than 10 employees.



# **Micro Dispensary License**

A micro dispensary license is authorized to:

- Deliver cannabis to residences and medical facilities in its authorized service area
- No dispensing from the storage facility
- May repackage bulk cannabis into pre-rolls in accordance with <u>COMAR 14.17.13.11</u>

See COMAR 14.17.07.07



### **Authorized Service Area**

- A micro dispensary's authorized service area includes the region in which its license was awarded, i.e. central, eastern, southern, or western
- A micro dispensary may only make deliveries in its authorized service area
- May store cannabis in a facility outside of the service area
- May transit outside of the service area for stocking/restocking or when it is most efficient, as part of a planned delivery route
- Petition to expand

See <u>COMAR 14.17.07.07</u>



# **Possible Operational Models**

#### Model 1: Own-Storage Model

- Operates and secures its own storage facility in accordance with <u>COMAR 14.17.12.03C</u>
- Manages & controls inventory

#### Model 2: Grower/Processor Storage Sharing

- Stores cannabis at grower/processor premises in accordance with COMAR 14.17.12.03C
- Micro licensee's inventory must be stored separately from the other licensee's inventory
- Manages & controls inventory



# **Possible Operational Models (Continued)**

#### **Model 3: Dispensary Storage Sharing**

- Micro dispensary manages & controls its own inventory but uses a separate vault on the premises of another standard dispensary, provided the vault complies with <u>COMAR</u> <u>14.17.12.02G(2)</u>
- Micro licensee's products must be separated from the standard dispensary's inventory

#### Model 4: Delivery Partnership with Standard Dispensary

• Micro dispensary does not have its own inventory; rather it partners with one or more standard dispensaries to deliver cannabis to medical and adult-use consumers on behalf of the standard dispensary.



# Who is an employee?

- A micro dispensary may employ up to 10 agents see <u>Alcoholic Beverages & Cannabis Article §</u> <u>36-401(c)(2)(iii)</u>
- An individual who volunteers or works for a licensee must be registered as an agent & wear an MCA-issued badge – see <u>COMAR 14.17.15.02</u>



#### **Storage Requirements – General**

A micro dispensary storage facility operated by the micro dispensary itself or a grower or processor licensee must:

- Be located in Maryland
- Maintain relevant and current building codes and standards
- Be constructed to prevent unauthorized entry
- In areas where cannabis is stored, provide adequate lighting, ventilation, temperature, humidity, space, and equipment to maintain product quality
- Be maintained in a clean and orderly condition
- Be free from infestation by insects, rodents, birds, and pests of any kind

#### See <u>COMAR 14.17.12.03C</u>



### **Storage Requirements – Security**

- Must limit access to only the micro dispensary's owner, agents, and if applicable, the owner and agents of the licensee that controls or operates the storage facility;
- Lighting fixtures to ensure proper surveillance
- Security alarm system must:
  - Cover perimeter entry points and portals at all premises, rooms that hold cannabis, and locations where records are stored on- and off-site
  - Be continuously monitored, capable of detecting smoke/fire/power loss, include panic alarm devices
- Motion-activated video surveillance recording system capable of clearly revealing facial detail, operates 24/7 and 365 without interruption, provides date & time stamp for every recorded frame, capture activity at each area and entrance to an area where cannabis is packaged, stored, or prepared for transport
- Keep all locks & security systems in good working order

See <u>COMAR 14.17.12.03C</u>



# **Vehicle Requirements**

- Operated by at least one agent & only agents may occupy the delivery vehicle while it contains cannabis or cannabis products
- Have & display current vehicle registration
- Insured as required by State law
- Equipped with:
  - GPS that enables vehicle location monitoring for all delivery routes
  - Locked and secure storage containers anchored to the inside of the vehicle
  - A motion-activated video-surveillance system that captures activity around all storage containers that contain cannabis or cannabis products
- Conceals storage containers so they are not visible or identifiable from outside of the vehicle; and
- Does not display any sign or illustration related to cannabis, cannabis products, or a cannabis licensee

See COMAR 14.17.12.03D(10)



### **Hours of Operation**

No deliveries should occur before 8am or after 11pm – MCA will apply a 30-minute grace period for deliveries after 11pm.

Example: If delivery driver expects to complete its final delivery by 11pm but gets stuck in traffic on the way, it can complete the delivery until 11:30pm.

Any order **received after** 11pm should be scheduled for delivery the following day.

See <u>COMAR 14.17.12.09</u>



# **Ordering System**

- Prior to order placement, must validate the individual ordering is 21+ or patient/caregiver
- Include a notice that valid, government-issued photo ID required to receive order
- Collect the name and DOB of the individual submitting order

See COMAR 14.17.12.03D(1) & .08



# **Delivery Operations**

- Travel only in Maryland, between licensees, registrants, or from one delivery address to another delivery address
- Only make deliveries to residences as defined in COMAR 14.17.01 and medical facilities in authorized service area
- Agents conducting deliveries shall wear a body camera while they are operating a delivery vehicle that contains cannabis
- While in transit, agents may not wear clothing or symbols that indicate ownership/possession of cannabis
- Transport cannabis in one or more locked and secure containers that may not be accessible while in transit



# **Delivery Restrictions**

- May not carry more than **\$5,000** worth of cannabis at any time
- No deliveries should occur without:
  - A prior order submitted to the dispensary
  - Proper manifest in Metrc
- No dispensing from the storage facility, i.e. no "ice cream truck" model
- No transport of products not associated with an active invoice, order, or product manifest



# **Required SOPs**

Included but not limited to:

- Inventory control
- Receiving cannabis
- Storage
- Cleaning, maintenance
- Handling, packaging, labeling
- Green waste
- Security and visitor procedures
- Dispensing
- Delivery
- Repackaging

See full list: COMAR 14.17.12.11

Agents must be trained on SOPs. SOPs must accurately reflect current procedures & be available on-site for inspection.



#### **Questions?**



## What is Metrc?

- Metrc = Marijuana Enforcement Tracking Reporting & Compliance
- The seed-to-sale tracking system for Maryland's cannabis program
- Tracks cannabis from growth to sale
- Ensures chain of custody, compliance, and diversion prevention



### **Metrc Core Functions**

- Inventory Transfers
  - All cannabis and cannabis products must be transferred into the licensee's control in Metrc
- Manifest Creation
  - A manifest is required before deliveries or inventory movement
- Sales Reporting
  - Licensees must log all sales within Metrc to maintain compliance



# **Key Metrc Responsibilities**

- Accept product into system <u>BEFORE</u>:
  - Deliveries
  - Transportation
  - Storage
- Maintain accurate logs:
  - Inventory levels
  - Delivery manifest details
  - Daily reports



### Metrc Hardware & Tools

- RFID tags for inventory
- Online dashboard access
- Use of third-party integrators possible (POS, logistics) Dutchie etc.
- Training and support offered via Metrc Learn website
  - MCA will schedule special training for micro dispensaries as they use unique functions for Metro reporting

Metrc information:

https://www.metrc.com/partner/maryland/



## **Summary & Next Steps**

- Review all applicable regulations, laws, and compliance guidance
- Choose an operational model that fits your resources
- Look for Metrc training invitation
- Start outreach for vault or storage partners if needed



## **Regulations & Statute**

- <u>COMAR 14.17.01 Definitions</u>
- <u>COMAR 14.17.02 General Regulations</u>
- <u>COMAR 14.17.07 Micro Licenses</u>
- <u>COMAR 14.17.12 Cannabis Dispensary Operations</u>
- <u>COMAR 14.17.13 Cannabis Products</u>
- COMAR 14.17.14 Complaints, Enforcement, Record Keeping, and Inspections of Cannabis Businesses
- <u>COMAR 14.17.15 Cannabis Business Agents</u>
- <u>COMAR 14.17.16 Cannabis Business Owners</u>
- COMAR 14.17.20 Prohibited Acts
- Alcoholic Beverages and Cannabis § 36-401

This list is not exhaustive. MCA advises conditional licensees to review all cannabis regulations and laws.



#### **Questions?**

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