

Medical Cannabis Rescheduling Webinar FAQs



This FAQ is provided for informational purposes only and does not replace or supersede Maryland law, federal requirements, or formal MCA determinations. The MCA does not have authority over federal rescheduling decisions, and information contained herein is subject to change based on federal orders, regulations, guidance, and agency actions. Licensees should consult official federal resources for the most current information.

General Overview

What is the Maryland Cannabis Administration's (MCA) primary role in the changing federal landscape?

The MCA is navigating this process as a collaborator with licensed entities and federal partners, such as the DEA and FDA, to ensure market continuity and provide clarity to stakeholders.

What specifically is being rescheduled under the final order?

The rescheduling applies to FDA-approved drugs containing marijuana and marijuana in any form covered by a state medical marijuana license, provided the entity has a DEA registration. This does not apply to adult-use cannabis or unlicensed bulk marijuana. Adult-use cannabis remains Schedule I, and therefore is still subject to federal criminalization.

What remains unscheduled and subject to federal criminalization?

Adult-use (recreational) products and unlicensed bulk marijuana remain Schedule I substances and continue to be subject to federal prohibitions.

Will the MCA provide documentation identifying medical licensees?

The MCA will make available an updated license cover letter confirming the licensee has state authorization to operate a medical cannabis business. The letter may be helpful as supporting documentation where verification of medical licensure status is requested.

Will cannabis businesses that choose not to register with the DEA, and would thus be prohibited from acquiring and selling Schedule III medical cannabis, face any adverse action by the MCA.

No, businesses that choose not to register with the DEA will not face any action by the MCA.

DEA Registration and Portal

When is the DEA registration window for dispensaries?

The DEA registration portal opened on April 29th and is scheduled to close on June 26th. Licensees who submit within this 60-day window are eligible for an expedited review within six months. The portal only appears to be accepting applications for dispensaries at this time.

Does the MCA recommend that licensees register with the DEA?

The MCA makes no formal recommendation. Licensees are encouraged to consult with federal regulatory counsel to determine the best path for their specific business needs and risk tolerance.

Are conditional licensees eligible to register with the DEA during the initial window?

Based on current understanding, businesses must have final state authorization to operate to complete the DEA application. Conditional licensees likely do not yet meet the requirement of providing proof of state authorization.

Operational and Tax Implications

How does rescheduling affect Section 280E tax deductions?

The order states that state medical marijuana licensees will no longer be subject to 280E deduction disallowances for the 2026 tax year. This benefit is expected to apply regardless of whether a business pursues DEA registration. Additional information from the Department of the Treasury is forthcoming.

Will rescheduling impact how businesses operate at the state level in Maryland?

Current state laws remain in effect. All businesses are expected to continue complying with Maryland regulations, as state investigators remain the primary regulators for state law compliance.

What is the “purchase and resale” mechanism mentioned for growers?

Under the requirements of the Single Convention on Narcotic Drugs international treaty, the DEA must act as an intermediary buyer, purchasing crops at a nominal price and selling them back to the grower with an added administrative fee.

Does the MCA plan to split licenses into separate medical and adult-use categories?

The MCA is evaluating options, including potential split licenses, to see how the state’s current dual-license structure can best withstand federal requirements. No definitive commitment has been made yet.