

The following guidance is provided by the Maryland Cannabis Administration (MCA) to assist existing medical cannabis licensees that convert to medical and adult use licensees comply with new State laws and regulations governing cannabis licensees that take effect July 1, 2023. This document is not legal advice. It is meant to highlight operational changes for **all licensed businesses**. Please consult an attorney if you have any questions regarding the legal requirements that apply.

Licensing & Registration Fees, and Issuance of New License Number

License fees are reduced and payable every 5 years, as opposed to annually. The renewal fees may be paid in annual installments.

- Grower:
 - Previous Annual Fee of \$125,000 → Reduced to \$50,000 every 5 years
 - \$115,000 effective annual reduction in licensing fees.
- Processor:
 - Previous Annual Fee of \$40,000 → Reduced to \$25,000 every 5 years
 - \$35,000 effective annual reduction in licensing fees.
- Dispensary:
 - \circ Previous Annual Fee of \$40,000 \rightarrow Reduced to \$25,000 ever 5 years
 - \$35,000 effective annual reduction in licensing fees.
- Agent registration fees reduced from \$200 every two years to \$50 every two years;

Converted licenses will receive a new MCA-issued license number, valid for 5 years upon conversion.

Packaging & Labeling

General Packaging

IMPORTANT: Businesses may exhaust existing packaging on existing products until January 1, 2024, provided that the product (1) is unexpired, (2) was approved by either the MMCC or the MCA on or before June 30, 2023 and (3) is in compliance with the packaging and labeling standards in effect on the date of approval. Any product submitted into Metrc for approval beginning on July 1, 2023 must comply with all packaging and labeling requirements included in Title 36 of the Alcoholic Beverages and Cannabis Article and COMAR 14.17.

- All packaging must be tamper-evident and child-resistant (unchanged). New regulations also specify criteria for soft sided and rigid container tamper evident packaging as follows:
 - Soft sided packaging must be sealed at the opening in a way that indicates if the container has been opened or tampered with. Once a package has been

- opened it must remain obvious that the package has previously been opened. Any soft sided package shall be four millimeters or greater in thickness.
- Any rigid container must have a tamper evident seal. Alternatively, the lid or enclosure can have an adhesive band or seal that, once opened, must remain obvious that the package has previously been opened.
 - Rigid containers include: Glass jars, tin cartons, metal tubes, etc.
- Any package containing multiple servings must be resealable.

General Labeling

- Label text must be printed in English. It must also be no smaller than six-point font or 1/12 inch and must be printed directly on, or on a label or sticker affixed directly to, the marketing layer. Previously text only needed to be 1/16 inch tall.
- The following warning statements required on the general product labels have been reworded to account for both medical and adult-use consumption:

"The contents may only be lawfully consumed by a consumer 21 years old or older, or a registered medical cannabis patient."

"Consumption of cannabis may impair your ability to drive a car or operate machinery. Please use extreme caution."

"There may be health risks associated with cannabis use, especially if pregnant or breastfeeding."

"This package contains cannabis. Keep out of reach of children and animals."

- Any product intended for topical application must include a statement identifying that the product is not intended for human consumption, ingestion, or inhalation.
- The following details are required on the label, when applicable to the product: (**bold** = new requirement)
 - Net weight of the cannabis or cannabis product;
 - Finished product lot number;
 - Name of the licensee that packaged the product;
 - Name, address, and phone number of the licensee that sold the product;
 - An itemization, including weight, of all cannabinoid and terpene ingredients specified for the product, and concentrates of any cannabinoid of less than one percent shall be printed with a leading zero before the decimal point;
 - A list of all major allergens contained in and used to manufacture the cannabis finished product, specifically milk, eggs, fish, crustacean shellfish, tree nuts, peanuts, wheat and soybeans;
 - A list of all noncannabis ingredients;
 - A list of any solvents used to produce the product;
 - The date that product was harvested, packaged, or produced (new for all products, previously required for edible products);
 - Expiration or best-used-by date.

- A certificate of analysis completed by a registered independent testing laboratory must be available on the package through a link or QR code.
- All packages shall display the universal symbol (unchanged) and the universal symbol must now appear:
 - o On the front or most predominantly displayed area of the package;
 - In an area no smaller than ½ inch by ½ inch;
 - In the form provided by the Administration and may not be modified, recreated, stylized, stretched, or otherwise distorted; and
 - On a background where the symbol is clearly distinguishable and identifiable.

Medical Cannabis Product Packaging and Labeling

- All "General Packaging" and "General Labeling" general requirements apply to products sold to patients and caregivers
- Existing requirements for packaging to maintain space for a licensed dispensary to attach a personalized label for the qualifying patient and bear warning labels continue to apply to any product sold to a medical cannabis patient, including high potency products.
- A licensed dispensary should continue to apply a personalized label with the information currently required under <u>COMAR 10.62.29.02</u>, this regulation has been recodified, but unchanged.

Edible Cannabis Product Packaging

- A package containing multiple servings must (1) be resealable and (2) include a label that (i) identifies each cannabinoid and terpene compound and (ii) lists ingredients in descending order of prominence (unchanged).
- Emergency regulations add the following requirements:
 - Milligrams per single serving and per package of total THC, total CBD, and any other marketed cannabinoid;
 - The number of servings per package and, if applicable, the recommended size of a serving;
 - A nutritional fact panel;
 - A warning label that states, "Effects of this product may be delayed by 4 or more hours.";
 - Multiple, individually packaged single serving products may be packaged together by a licensed processor using a marketing layer if the marketing layer contains the necessary labels, warnings, and standards set forth in regulation; and does not combine products the THC content of which exceeds 100 milligrams.

Packaging and Labeling Requirements of Cannabis Seeds, Clones, and Seedlings

- All Home Cultivation products (Cannabis Seeds, Clones, and Seedlings) must include the following on their label:
 - The name of the licensed facility where the product was derived or propagated;
 - The name of the licensed dispensary where the product is being sold;

- The net weight of the product (or, if seeds, the number of seeds in the package); and
- A warning label that states "For home cultivation only. Must be 21 years old or older or a registered patient for home cultivation."
- Additionally, the packaging for cannabis seeds must:
 - Keep cannabis seeds dry;
 - Prevent germination of the seeds in the packaging; and
 - Not impart any deleterious substances into the cannabis seeds.
- Outside of the requirements outlined above home cultivation products are exempt from packaging and labeling requirements for cannabis and cannabis products.

Prohibited Packaging and Labeling

- Unchanged restrictions. Packaging and labeling may not:
 - Resemble a commercially available candy, snack, baked good or beverage;
 - Display artwork or design that could reasonably mislead any person to believe that the package contains anything other than a cannabis finished product;
 - Display a seal, flag, crest, coat of arms, or other insignia that could reasonably mislead any person to believe that the product has been endorsed, manufactured, or used by any state, county or municipality or any agency thereof;
 - Display false or misleading statements; and
 - Display a cartoon, color scheme, image, graphic or feature that might make the package attractive to children.
- New restrictions. Product packaging and labeling may not display:
 - Images of food, candy, baked goods, cereal, fruit, beverages, or the words "candy" or "candies"
 - Depiction of any form of consumption of cannabis or cannabis products
 - Depiction of overconsumption or intoxicating effects of cannabis or cannabis products
 - o Claims regarding health or physical benefits to the consumer

Additional prohibitions on (1) a label, marketing layer or any other aspect of the product package obscuring any warnings, statements, or information required under Title 14, Subtitle 17, and (2) any marketing toward youth.

MMCC Registrations, Regulations, and other Administrative Actions

The following registrations remain valid and regulatory requirements remain unchanged from the medical cannabis program:

- Registration of Certifying Providers;
- Registration of Patients and Caregivers;
- Issuance and renewal of Written Certifications;
- Issuance and renewal of Patient and Caregiver Identification cards;
- Petition for the approval of new conditions; and
- Clinical Director availability requirements.

Validity of MMCC issued badges, bulletins, orders, etc.

- Agent badges, identification cards, and other registrations are generally valid until the expiration date listed, even if the card or registration was issued by the MMCC.
- Any bulletin, final order, notice of violation, or formal changes issued by the Natalie
 M. LaPrade Medical Cannabis Commission remains valid and stands as authorized by the Maryland Cannabis Administration.

Questions?

The MCA will be hosting a webinar to answer questions pertaining to the new regulations on June 14th at 1PM Eastern. <u>You can register for the Webinar here</u>, and a recording will be made available afterwards.

The MCA is encouraging licensees and stakeholders to submit questions in advance of the webinar in the <u>linked Google Form</u>. We recommend that you submit questions prior to June 7th for full consideration by MCA Staff.