



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 **licensed growers**. Please consult an attorney if you have any questions regarding the legal requirements that apply.

Licensing & Registration Fees, and Issuance of a 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.

- Previous Annual Fee of \$125,000 → Reduced to \$50,000 over 5 years
 - \$115,000 annual reduction in licensing fees.

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

Canopy

A grower may expand its canopy from its maximum amount of canopy, as self-reported to the MMCC on or before December 1, 2022, beginning January 1, 2024. The total expanded canopy may not exceed the following limits prior to January 1, 2026:

Beginning on January 1, 2024, a licensee may expand the amount of canopy, only as follows:

- If the canopy is under 25,000 sq. ft., to 25,000 square feet or by 20%, whichever is greater;
- If the canopy is at or above 25,000 sq. ft., by 20%; or
- If the licensee has a sq. ft. expansion that was preapproved before December 31, 2022, the preapproved expansion or 20%, whichever is greater.

In addition, a licensee may only expand the amount of canopy, according to the following schedule:

- Beginning January 1, 2024, the licensee may expand its canopy of operations by not more than 50% of the total square footage authorized under the paragraph above (e.g., up to 50% of any preapproved expansion that was preapproved before December 31, 2022); and
- Beginning May 1, 2024, the licensee may expand its canopy of operations for the remaining total square footage authorized.

Home Cultivation Products

Home cultivation products are now authorized for retail sale by dispensaries to consumers. Home cultivation products include clones, seeds, seedlings, stalks, roots, and stems of the cannabis plant. A licensed dispensary may only obtain home cultivation products from a licensed grower.

Trade Practices

A grower is required to make a good faith effort to allow for at least 10 percent of cannabis grown to be transferred to:

- A licensed processor that has no common ownership interest or control with the grower licensee; and
- Upon licensure and operation of social equity businesses, a licensed processor that is a social equity business

Prior Regulations still in effect and unchanged

- Security of premises under COMAR 10.62.10.03 – 10.62.10.08;
- Growing of cannabis under COMAR 10.62.11;
- Recording of inventory under COMAR 10.62.12; and
- Implementation of quality controls under COMAR 10.62.15.

Questions?

Email mca.policy@maryland.gov or visit cannabis.maryland.gov.