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Effective Date: December 30, 2019

MMCC UPDATES REGULATIONS PERTAINING TO TERMS OF LICENSURE & CLARIFIES ANNUAL LICENSE FEE REQUIREMENT

Linthicum, MD (December 30, 2019) – The Maryland Medical Cannabis Commission (the "Commission") is issuing this Bulletin to: (1) notify licensees of regulatory changes affecting how often licensees are eligible to apply to renew a license; and (2) remind licensees that they must pay the annual license fee set forth in Title 10, Subtitle 62, Chapter 35 of the Code of Maryland Regulations ("COMAR") each year as a condition of maintaining their license.

The regulatory updates described below implement provisions of House Bill 2 (2018), which: (1) extend the period of time for which a grower, processor, or dispensary license is valid on initial licensure from four to six years; and (2) increase the period of time for which a grower, processor, or dispensary license is valid on renewal from two to four years.

COMAR 10.62.08.10 provides that a licensed medical cannabis grower is eligible to apply to renew its license six years after its initial licensure and every four years thereafter.

COMAR 10.62.19.09 provides that a licensed medical cannabis processor is eligible to apply to renew its license six years after its initial licensure and every four years thereafter.

COMAR 10.62.25.10 provides that a licensed medical cannabis dispensary is eligible to apply to renew its license six years after its initial licensure and every four years thereafter.

A licensee must pay an annual license fee each year as condition to maintain its license. The annual fee that a licensed grower, processor, or dispensary must pay to maintain licensure is set forth below.

COMAR 10.62.35.01(A)(1) provides that a licensed medical cannabis grower must pay an annual license fee of \$125,000.

COMAR 10.62.35.01(C)(2) provides that a licensed medical cannabis processor must pay an annual license fee of \$40,000.

COMAR 10.62.35.01(E)(2) provides that a licensed medical cannabis dispensary must pay an annual license fee of \$40,000.

The annual fee must be paid <u>at least thirty (30) days prior to the anniversary of licensure</u>. The Commission will send a letter to a licensee's primary contact sixty (60) days prior to the anniversary of licensure to remind the primary contact of the date on which the annual fee is due. Failure to submit timely payment of the annual fee shall result in license suspension and/or revocation.

Please direct any questions regarding this Bulletin to Ugo Osoh, Finance Director, at ugochukwu.osoh@maryland.gov.