



Maryland Cannabis Administration

Fiscal Year 2027 Operating Budget Response to Department of Legislative Services Analysis

**Senate Budget & Taxation Committee
Public Safety, Transportation & Environment Subcommittee
Senator Shelly Hettleman
January 30, 2026**

**House Appropriations Committee
Delegate Ben Barnes
February 20, 2026**



The Honorable Guy Guzzone
Chair, Senate Budget and Taxation Committee
3 West
Miller Senate Office Building
Annapolis, Maryland 21401

The Honorable Shelly Hettleman
Subcommittee Chair, Senate Public Safety,
Transportation, and Environment
Room 203
James Senate Office Building
Annapolis, Maryland 21401

D23 — Maryland Cannabis Administration — Budget Hearing Testimony

Dear Chairs Guzzone and Hettleman:

In response to the Department of Legislative Services (DLS) analysis of the Maryland Cannabis Administration's (MCA) operating budget, the MCA supports the Governor's allowance as well as DLS's recommendation to concur with the Governor's allowance. We would like to thank the committees for their time, DLS for their analysis, and the Department of Budget and Management for their assistance in budget preparation.

The MCA was formally established on May 3rd, 2023, when Governor Moore signed the Cannabis Reform Act of 2023 (CRA) into law. The former medical cannabis commissioners were eliminated and medical cannabis commission staff were transitioned into the new agency under a Director appointed by the Governor. Since its inception, the MCA has continued to prioritize building a new independent state agency, business licensing, compliance, market transition, and public education and outreach.

Business Licensing

Maryland executed a social equity licensing round and held lottery events on March 14th and June 28th of 2024 with the issuance of conditional licenses to those awardees beginning mid-summer. A total of 205 applicants were selected across the various business and jurisdictional categories. Following the lottery, due to withdrawals or denials, 192 applicants moved forward to conditional licensure. Of this group, 13 applicants have progressed to full licensure.

The MCA is statutorily permitted to hold a second licensing round following May 1, 2024. The MCA is required, prior to executing a second licensing round, to determine the impact of the first round through the findings of a disparity study being conducted by the Maryland Department of Transportation (MDOT). MDOT, in conjunction with the Office of the Attorney General and the Governor's Office of Small, Minority, and Women Business Affairs, will determine whether remedial measures are necessary for the



second round of licensure awards. MDOT completed and published the disparity study on October 1, 2025. The study found evidence of discrimination across all Maryland industries and procurements. MCA is working with counsel to understand the implications of this study as it relates to cannabis licensing and the second round of licensure.

Compliance and Regulation

The Office of Compliance and Regulation (OCR) is responsible for overseeing the licensing, inspection, and discipline of licensed growers, processors, and dispensaries to ensure compliance with Maryland's cannabis statutes and regulations. OCR is also tasked with providing safeguards to protect public health and ensure a level playing field for industry. OCR is also responsible for conducting all background investigations and reviews for cannabis licensing.

In 2025, OCR completed 665 inspections. Of these, 529 inspections were conducted at dispensaries, 86 inspections were conducted at growers, and 60 inspections were completed at processors. OCR is responsible for continuing to review supplemental application materials from conditional licensees and helping those conditional licensees move toward final licensure.

Workforce Development

The MCA's Cannabis Industry Workforce Development Program, a partnership between MCA and the Maryland Department of Labor's EARN Maryland program, provides free virtual and in-person training for retail, processing, and cultivation careers across Maryland's fast growing cannabis industry. As of the date of this testimony, 719 people have completed the virtual academy and 448 people have completed the in-person training course. Trainings were held in Baltimore County, Anne Arundel County, Prince George's County, Talbot County, Howard County, Somerset County, and Frederick County. All training courses were provided free of charge.

Participants were approximately 49% Black, 25% White, and 12% Two or More Races, with participants ranging in age from 21 to 76 years old. The average age of participants in the in-person trainings was 41.

Select participants who have earned completion certificates are provided job placement assistance and internship opportunities via the EARN program.

Public Education

In August 2025, MCA introduced the Trusted Source Campaign, which was designed to help consumers better identify licensed and legal cannabis dispensaries throughout the state. MCA installed Trusted Source



signage at all 109 dispensaries, including newly licensed social equity dispensaries. These Trusted Source signs include a QR code that routes to MCA's online dispensary locator tool, verifying the customer is at a licensed location. Since August, there have been 1,375 scans from the new Trusted Source dispensary signs, over 105,000 visits to the Cannabis Trusted Source webpages, and the campaign's digital and print media has been viewed an estimated 63 million times.. In December 2025, MCA partnered with ATCC to create a dedicated tip line for unlawful THC sales, [THCTips.maryland.gov](https://www.thctips.maryland.gov).

Under the "BeCannabisSmart" campaign umbrella, 2025 public service announcements included statewide education in print and digital platforms on preventing drugged driving, keeping public spaces smoke-free, and keeping cannabis, especially edibles, safely secured and away from children to prevent unintentional consumption. Public service announcements also ran in Spanish. Marylanders report taking positive steps that include less driving after using cannabis (a 10% increase in adults who say they *don't* drive after using cannabis), less smoking in public spaces (nearly a 20% decrease reported by medical cannabis patients), and continued attention to secure at-home storage (68% of medical cannabis patients and 42% of adults store cannabis safely). Maintaining BeCannabisSmart public service announcements in the market will continue to promote adoption of responsible use practices.

Public Health Surveys and Studies

In November 2025, MCA completed its fourth annual medical cannabis patient survey, which we understand to be the largest and longest running survey of its kind. More than 13,000 patients participated (representing more than 10% of active certified patients), demonstrating robust commitment to the medical program and helping to ensure the program remains patient-centered and responsive to evolving needs. When patients used an MCA service (call center, website, OneStop), satisfaction was generally positive. Top features that would improve the patient experience included a longer certification period (patients are currently required to visit a certifying provider annually) , improving specific product availability such as RSO, increasing home grow limits from four to six plants, and offering a free-to-user cannabis helpline for medical cannabis questions. Patients report high degrees of comfort talking about medical cannabis with their primary care providers (82% are comfortable) and other healthcare providers (74%), which helps promote a strong patient-provider relationship and safer use. Additionally, as a companion to the patient survey, MCA completed its first-ever survey of certifying providers in November 2025. A total of 1,441 certifying providers (10% of the state's certifying providers) participated in this survey, which will help MCA better understand provider experiences in the medical cannabis program and where program enhancements and new educational tools will have the greatest impact.



Task Force and Boards

The Maryland General Assembly (“MGA”) has tasked the Administration with the participation and facilitation of two bodies: the Task Force on the Responsible Use of Natural Psychedelic Substances and the Advisory Board on Medical and Adult-Use Cannabis. The Task Force on the Responsible Use of Natural Psychedelic Substances (“Task Force”) consists of Subject Matter Experts (SMEs) reflecting the socioeconomic, ethnic, and geographic diversity of the State. The Task Force was established to study and make recommendations on the responsible use of psychedelics with a requirement to submit its findings and recommendations to the Governor and the MGA on or before July 31, 2025. The MCA has a seat on this body, which the Director may fill that role, or otherwise designate a representative. The Advisory Board on Medical and Adult-Use Cannabis is chartered with studying and providing recommendations on various aspects of the legal medical and adult-use cannabis industry in the state, particularly in the context of state regulatory matters as well as potential federal regulatory changes.

If you have any questions or would like to discuss this further, please contact me at tabatha.robinson@maryland.gov or Selena Rawlley, Deputy Chief, Legislative Affairs, Office of Policy and Government Affairs at (410) 387-6156 or Selena.Rawlley@maryland.gov.

Sincerely,

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