



# Summary of Maryland's HB 837 and SB 833

HB 837, sponsored by House Judiciary Chairman Luke Clippinger, and the identical SB 833, sponsored by Senator Brian Feldman are companion legislation to HB 1, a bill that would refer the question of cannabis legalization to voters on the November 2022 ballot. HB 837/SB 833 include details for initial steps for legalization — such as possession and home cultivation limits, limited expungement, and funding for minority- and women-owned businesses — that would be contingent on voter approval of HB 1. They do not set up a licensing or regulatory system and does not include home cultivation. Possession and home cultivation would not become legal until July 2023.

Here is a section-by-section summary:

## **Section 1 — Collects baseline data on cannabis use**

- Instructs the Maryland Medical Cannabis Commission (MMCC) to conduct a study and report findings in early 2023 on patterns of cannabis use, incidents of impaired driving related to cannabis use, hospitalizations related to cannabis use, calls to poison control regarding cannabis use, and diagnoses of cannabis use disorder

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## **Section 2 — Establishes a “Cannabis Assistance Fund” (contingent on voter approval, effective January 1, 2023)**

- Creates a “Cannabis Assistance Fund” to assist small, minority-owned, and women-owned business entering the adult-use cannabis industry
  - The fund consists of money appropriated in the state budget to the fund and any other money from any other source accepted for the benefit of the fund.
  - The fund may only be used for:
    - Grants or loans to small, minority-owned, or women-owned businesses;
    - License application assistance;
    - Assistance with operating or capital expenses of a business participating in the adult-use industry;
    - Targeted training to support participation in the adult-use industry; and
    - Grants to HBCU’s for cannabis-related programs and business development.
  - The Department shall award grants and loans to populations that have been disproportionately impacted by cannabis prohibition.

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**Section 3 — Expands decriminalization temporarily** (contingent on voter approval of HB 1, effective from January 1 to June 30, 2023)

- Expands decriminalization to include up to 1.5 ounces, making use and simple possession punishable by a civil fine of up to \$100 (The limit is less than 10 grams now.)
- Reduces the penalty for possession of more than 1.5 ounces, but not exceeding 2.5 ounces, to a civil fine of up to \$250

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**Section 4 — Legalizes limited possession, sharing, and home cultivation for adults** (contingent on voter approval, effective July 1, 2023)

- Starting on July 1, 2023, a person who is 21 or older could possess and cultivate a personal-use amount of cannabis, defined as:
  - 1.5 ounces of cannabis
  - 12 grams of cannabis concentrates
  - cannabis products containing no more than 750 milligrams of THC
    - For individuals who are under 21, possession of 1.5 ounces or less would be punishable by a civil fine of up to \$100.
- Starting on July 1, 2023, amounts exceeding the above amounts, but no more than the below amounts, would be punishable by a civil fine of up to \$250 or community service:
  - 2.5 ounces of cannabis
  - 20 grams of cannabis concentrates
  - cannabis products containing no more than 1,250 milligrams of THC
- Possessing over the above amounts would be punishable by up to six months in jail and/or a fine of up to \$1,000.
- Public smoking would be punishable by a civil fine of up to \$250 for a first offense and up to \$500 for a second offense.

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**Section 5 — Up to three years in jail for dispensing, PWID, and making infused brownies at home; limited expungement** (contingent on voter approval, effective January 1, 2023)

- Punishes possession with intent to distribute (PWID) by up to three years' imprisonment and/or a fine of up to \$5,000, with an exception for sharing

- Provides that a person does not violate the provision for possessing 2.5 ounces or less “without other evidence of an intent to distribute”
- Punishes the home cultivation of cannabis and the home manufacture of cannabis products (such as making cannabis-infused brownies) and growing more than two plants by up to three years’ imprisonment and/or a fine of up to \$5,000
- Provides automatic expungement for all cases where possession of cannabis was the only charge in the case and the charge was issued before July 1, 2023. It also provides the Department of Public Safety and Correctional Services must expunge the records by July 2024.
- Allows for individuals incarcerated for cannabis possession to petition for release/resentencing and provides that relief shall be granted unless they are serving a concurrent or consecutive sentence for another crime
- Provides that a petition for expungement for possession with intent to distribute cannot be filed until four years after the sentence, including parole and probation, has been completed
- Establishes a Public Health Advisory Council
- Establishes a Public Health Fund to:
  - Support the advisory council in performing its duties;
  - Support substance abuse disorder counseling and treatment for individuals;
  - Fund public education campaigns related to cannabis use; and
  - Provide training for law enforcement to recognize cannabis impairment.
- Establishes a Community Reinvestment and Repair Fund, in which:
  - At least 30% of the revenue from adult-use cannabis and licensing fees paid by dual-licensees will be allocated by the Comptroller to a Community Reinvestment and Repair Fund.
  - The Comptroller will disburse funds to counties in an amount that is proportionate to their rate of cannabis arrests from July 1, 2002 to July 1, 2022.
  - Recipients must be community-based organizations that either: 1) benefit low-income communities, or 2) serve communities disproportionately harmed by cannabis prohibition and enforcement.
  - Funds cannot be used for law enforcement agencies or activities.
  - Counties will report on how the funds were used every two years.

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**Section 6 — Cannabis Public Health Advisory Council** (contingent on voter approval, effective January 1, 2023)

- Specifies the terms for appointed members of the Cannabis Public Health Advisory Council

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**Section 7 — Disparity study**

- The bill instructs a review of 2017 Business Disparities in the Maryland Market and 2017-2018 medical cannabis disparity study to determine if they support the need for remedial measures to assist women- and minority-owned businesses in the adult-use industry. If they do not, it instructs a new study to be done of the cannabis industry. The findings must be submitted on or before November 1, 2022.

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**Section 8 — Study of home cultivation for medical cannabis only**

- Instructs the MMCC to study and make recommendations on home cultivation for qualifying patients — including best practices of other states — by November 1, 2022

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**Section 9 — Provides for effective date and makes provisions contingent**

- Sections 2, 3, 4, 5, and 6 are contingent on voter approval of HB 1.
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