

HOUSE BILL 1235

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5lr2787
CF 5lr2788

By: **Delegates Arentz, Ghrist, and Jacobs**

Introduced and read first time: February 7, 2025

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Queen Anne's County – Licensed Cannabis Dispensary and Processor Locations**
3 **– Distance Requirements**

4 FOR the purpose of prohibiting the governing body of Queen Anne's County from allowing
5 licensed cannabis processors to locate within a certain distance of certain public
6 places and child care facilities in the county; altering certain distance requirements
7 applicable to licensed cannabis dispensaries in Queen Anne's County; and generally
8 relating to licensed cannabis dispensary and processor locations.

9 BY repealing and reenacting, without amendments,
10 Article – Alcoholic Beverages and Cannabis
11 Section 36–101(a), (q), and (dd) and 36–405(a) and (b)
12 Annotated Code of Maryland
13 (2024 Replacement Volume)

14 BY repealing and reenacting, with amendments,
15 Article – Alcoholic Beverages and Cannabis
16 Section 36–405(c) and 36–410
17 Annotated Code of Maryland
18 (2024 Replacement Volume)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
20 That the Laws of Maryland read as follows:

21 **Article – Alcoholic Beverages and Cannabis**

22 36–101.

23 (a) In this title the following words have the meanings indicated.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(q) “Dispensary” means an entity licensed under this title that acquires, possesses, repackages, transports, sells, distributes, or dispenses cannabis or cannabis products, including tinctures, aerosols, oils, and ointments, related supplies, and educational materials for use by qualifying patients, caregivers, or consumers through a storefront or through a delivery service, based on license type.

(dd) “Processor” means an entity licensed under this title that:

(1) transforms cannabis into another product or an extract and packages and labels the cannabis product; and

(2) is authorized by the Administration to provide cannabis to cannabis licensees and registered independent testing laboratories.

36–405.

(a) In this section, “unduly burden” includes imposing a zoning requirement or restriction on the use of property by a cannabis licensee that is more restrictive than the requirements established under § 36–410 of this subtitle.

(b) A political subdivision may:

(1) establish reasonable zoning requirements for cannabis businesses; and

(2) decide how to distribute its allocation of revenue under § 2–1302.2 of the Tax – General Article.

(c) **(1) [A] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,** A political subdivision may not:

[(1)] (I) establish zoning or other requirements that unduly burden a cannabis licensee;

[(2)] (II) impose licensing, operating, or other fees or requirements on a cannabis licensee that are disproportionately greater or more burdensome than those imposed on other businesses with a similar impact on the area where the cannabis licensee is located;

[(3)] (III) prohibit transportation through or deliveries within the political subdivision by cannabis businesses located in other political subdivisions;

[(4)] (IV) prevent an entity whose license may be converted under § 36–401(b)(1)(ii) of this subtitle and that is in compliance with all relevant medical cannabis regulations from being granted the license conversion; or

1 **[(5)] (V)** negotiate or enter into an agreement with a cannabis licensee or
2 an applicant for a cannabis license requiring that the cannabis licensee or applicant provide
3 money, donations, in-kind contributions, services, or anything of value to the political
4 subdivision.

5 **(2) THE GOVERNING BODY OF QUEEN ANNE’S COUNTY MAY NOT**
6 **ALLOW A CANNABIS PROCESSOR TO LOCATE WITHIN 1,000 FEET OF:**

7 **(I) A PRE-EXISTING PRIMARY OR SECONDARY SCHOOL IN THE**
8 **COUNTY;**

9 **(II) A LICENSED CHILD CARE CENTER OR REGISTERED FAMILY**
10 **CHILD CARE HOME UNDER TITLE 9.5 OF THE EDUCATION ARTICLE THAT IS**
11 **LOCATED IN THE COUNTY; OR**

12 **(III) A PRE-EXISTING PLAYGROUND, RECREATION CENTER,**
13 **LIBRARY, PUBLIC PARK, OR PLACE OF WORSHIP IN THE COUNTY.**

14 36–410.

15 (a) Beginning July 1, 2023, a cannabis licensee that is operating a dispensary
16 shall:

17 (1) ensure that it has adequate supply for qualifying patients and
18 caregivers;

19 (2) set aside operating hours or dedicated service lines to serve only
20 qualifying patients and caregivers; and

21 (3) ensure that at least 25% of cannabis and cannabis products in the
22 dispensary are from social equity licensees and growers and processors that do not share
23 common ownership with the dispensary.

24 (b) Except as provided in [subsection (d)] **SUBSECTIONS (C) AND (E)** of this
25 section, a licensed dispensary may not locate within:

26 (1) 500 feet of:

27 (i) a pre-existing primary or secondary school in the State, or a
28 licensed child care center or registered family child care home under Title 9.5 of the
29 Education Article; or

30 (ii) a pre-existing playground, recreation center, library, public
31 park, or place of worship; or

32 (2) 1,000 feet of another dispensary under this title.

(c) **EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, A LICENSED DISPENSARY IN QUEEN ANNE'S COUNTY MAY NOT LOCATE WITHIN 1,000 FEET OF:**

(1) A PRE-EXISTING PRIMARY OR SECONDARY SCHOOL IN THE COUNTY;

(2) A LICENSED CHILD CARE CENTER OR REGISTERED FAMILY CHILD CARE HOME UNDER TITLE 9.5 OF THE EDUCATION ARTICLE THAT IS LOCATED IN THE COUNTY; OR

(3) A PRE-EXISTING PLAYGROUND, RECREATION CENTER, LIBRARY, PUBLIC PARK, OR PLACE OF WORSHIP IN THE COUNTY.

(D) (1) Except as provided in paragraph (2) of this subsection, a political subdivision may adopt an ordinance reducing, but not increasing, the distance requirements under [subsection] **SUBSECTIONS (b) AND (C)** of this section.

(2) A political subdivision may by ordinance increase the distance limitation for dispensaries under subsection (b)(2) of this section to not more than one-half mile.

[(d)] (E) The distance requirements under [subsection] **SUBSECTIONS (b) AND (C)** of this section do not apply to a dispensary license that was:

(1) converted under § 36-401(b)(1)(ii) of this subtitle; and

(2) properly zoned and operating before July 1, 2023.

[(e)] (F) A political subdivision may not adopt an ordinance establishing zoning requirements for licensed dispensaries that are more restrictive than zoning requirements for a retail dealer licensed under this article.

[(f)] (G) A political subdivision may not adopt an ordinance:

(1) establishing a zoning requirement for a licensed grower cultivating cannabis exclusively outdoors in an area zoned only for agricultural use that is more restrictive than any zoning requirements that existed on June 30, 2023, governing a hemp farm registered under Title 14 of the Agriculture Article in the political subdivision; or

(2) prohibiting outdoor cannabis cultivation on a premises that was properly zoned for outdoor cannabis cultivation on or before June 30, 2023.

[(g)] (H) A political subdivision may:

1 (1) by ordinance, establish a distance limitation for dispensaries of up to
2 100 feet from an area zoned for residential use; or

3 (2) apply to dispensaries the distance limitation for licensed alcoholic
4 beverage retailers from an area zoned for residential use.

5 **[(h)] (I)** A political subdivision shall grant a waiver to an ordinance that
6 provides a distance requirement for dispensaries under this section for a licensed
7 dispensary that was in operation before April 1, 2024.

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
9 October 1, 2025.