

SENATE BILL 399

A3

4lr2240

By: **Senator West**

Introduced and read first time: January 18, 2024

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Cannabis – Advertising – Prohibited Locations**

3 FOR the purpose of altering a certain prohibition on advertising for cannabis licensees,
4 products, or services by repealing a prohibition on certain outdoor advertising and
5 instead prohibiting advertising within a certain distance of a substance use
6 treatment facility or certain schools, child care facilities, or other locations;
7 authorizing a cannabis licensee to request and requiring the Maryland Cannabis
8 Administration to provide an opinion as to whether a cannabis advertisement
9 complies with certain requirements; and generally relating to advertising for
10 cannabis licensees, products, or services.

11 BY repealing and reenacting, with amendments,
12 Article – Alcoholic Beverages and Cannabis
13 Section 36–903
14 Annotated Code of Maryland
15 (2016 Volume and 2023 Supplement)

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

18 **Article – Alcoholic Beverages and Cannabis**

19 36–903.

20 (a) (1) This subsection does not apply to an advertisement placed on property
21 owned or leased by a dispensary, grower, or processor.

22 (2) An advertisement for a cannabis licensee, cannabis product, or
23 cannabis–related service may not:

24 (i) violate Title 13, Subtitle 3 of the Commercial Law Article;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(ii) directly or indirectly target individuals under the age of 21 years;

(iii) contain a design, an illustration, a picture, or a representation that:

1. targets or is attractive to minors, including a cartoon character, a mascot, or any other depiction that is commonly used to market products to minors;

2. displays the use of cannabis, including the consumption, smoking, or vaping of cannabis;

3. encourages or promotes cannabis for use as an intoxicant; or

4. is obscene;

(iv) engage in advertising by means of television, radio, Internet, mobile application, social media, or other electronic communication, or print publication, unless at least 85% of the audience is reasonably expected to be at least 21 years old as determined by reliable and current audience composition data; or

(v) [engage in advertising by means of placing an advertisement on the side of a building or another publicly visible location of any form, including a sign, a poster, a placard, a device, a graphic display, an outdoor billboard, or a freestanding signboard] **BE PLACED WITHIN 500 FEET OF:**

1. **A SUBSTANCE USE TREATMENT FACILITY;**

2. **A PRIMARY OR SECONDARY SCHOOL;**

3. **A LICENSED CHILD CARE CENTER OR A REGISTERED FAMILY CHILD CARE HOME UNDER TITLE 9.5 OF THE EDUCATION ARTICLE; OR**

4. **A PLAYGROUND, RECREATIONAL CENTER, LIBRARY, OR PUBLIC PARK.**

(b) (1) (i) Subject to subparagraph (ii) of this paragraph, each cannabis-related website shall employ a neutral age-screening mechanism that verifies that the user is at least 21 years old, including by using an age-gate, age-screen, or age verification mechanism before the user may access or view any content and before the website may collect the user's address, e-mail address, phone number, or contact information to disseminate advertisements.

(ii) If a website is appropriate for a qualifying patient who is under the age of 21 years, the website shall provide an alternative screening mechanism for the qualifying patient.

(2) An advertisement placed on social media or a mobile application shall include a notification that an individual must be at least 21 years old to view the content.

(3) The provisions of this subtitle applicable to cannabis licensees may not be avoided by hiring or contracting with a third party, or outsourcing advertisements that do not comply with this subtitle.

(4) A cannabis licensee may not allow the use of the licensee's trademarks, brands, names, locations, or other distinguishing characteristics for third-party use for advertisements that do not comply with this subtitle.

(5) (I) A CANNABIS LICENSEE MAY SUBMIT, IN A FORM PRESCRIBED BY THE ADMINISTRATION, AN ADVERTISEMENT TO THE ADMINISTRATION FOR AN ADVISORY OPINION ON WHETHER THE ADVERTISEMENT COMPLIES WITH THE REQUIREMENTS OF THIS SECTION.

(II) WITHIN 30 DAYS AFTER RECEIVING AN ADVERTISEMENT SUBMITTED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE ADMINISTRATION SHALL REVIEW THE ADVERTISEMENT AND PROVIDE THE LICENSEE WITH THE ADVISORY OPINION.

(c) The Administration shall adopt regulations to establish procedures for the enforcement of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2024.