HOUSE BILL 1453

By: Delegates Anderson, Carter, Glenn, and Oaks
Introduced and read first time: February 21, 2013
Assigned to: Rules and Executive Nominations

A BILL ENTITLED

AN ACT concerning

Criminal Law – Marijuana – Regulation, Penalties, and Taxation

FOR the purpose of repealing certain criminal violations for the use and possession of marijuana and marijuana paraphernalia; establishing certain exemptions from prosecution for certain persons for using, obtaining, purchasing, transporting, or possessing marijuana in certain circumstances; establishing certain exemptions from prosecution for certain retailers, wholesalers, and safety compliance facilities in certain circumstances; establishing a certain affirmative defense; establishing a fine for a certain civil violation; prohibiting a certain adult from cultivating marijuana under certain circumstances; requiring the Comptroller, or the Comptroller's designee, to establish certain procedures; providing that this Act does not exempt certain conduct from certain penalties; prohibiting a person from smoking marijuana in a public place; providing that employers are not required to accommodate certain conduct; authorizing landlords and innkeepers to prohibit certain behavior in certain locations; prohibiting a person from falsely representing the person's age for certain purposes; providing that this Act, by operation of law, expunges certain convictions; providing that this Act does not repeal or modify certain other statutes; establishing a procedure for a certain retailer, wholesaler, or safety compliance facility to register under this Act; authorizing local governments to enact certain ordinances or regulations not in conflict with this Act; prohibiting a retailer, wholesaler, or other person from advertising in a certain manner; requiring a retailer to include a certain safety insert with the sale of marijuana; requiring a wholesaler to create certain packaging; providing for the cultivation of marijuana in certain circumstances; requiring a certain wholesaler to have certain documentation at certain times; prohibiting a retailer from selling, giving, or otherwise furnishing marijuana to a person under a certain age; prohibiting a retailer from allowing a person under a certain age to be present in a certain location under certain circumstances; prohibiting a retailer from selling, giving, or otherwise furnishing more than a certain amount of marijuana to a person in a single transaction, knowingly and willfully selling,
giving, or otherwise furnishing an amount of marijuana to a person under
certain circumstances, purchasing marijuana from a person other than a
wholesaler, or violating certain regulations; providing a certain defense;
prohibiting a wholesaler from allowing a person under a certain age to be
present on certain premises in certain circumstances, selling, giving, or
otherwise furnishing marijuana to certain persons, purchasing marijuana from
certain persons, or purchasing or selling, giving, or otherwise furnishing
marijuana in a certain manner; authorizing the Comptroller to suspend or
terminate a certain registration under certain circumstances; authorizing a
certain court action under certain circumstances; establishing certain penalties
for a violation of certain provisions of this Act; providing that it is not a
violation of State or local law for a person to purchase and possess a material or
product made, in whole or in part, with industrial hemp; requiring the
Department of Agriculture to adopt certain rules and regulations; providing
that a certain person is authorized to manufacture, produce, use, obtain,
purchase, transport, or possess marijuana paraphernalia in a certain manner,
or to distribute or sell marijuana paraphernalia to certain persons; prohibiting a
person under a certain age from possessing marijuana; providing a civil penalty;
requiring the Governor to appoint a certain oversight committee; requiring the
oversight committee to undertake certain duties; imposing a certain excise tax
on marijuana wholesalers; requiring the Comptroller to allocate certain tax
funds in a certain manner; requiring the Comptroller to administer and carry
out this Act and to adopt certain regulations; allowing a certain deduction from
State taxes; and generally relating to marijuana.

BY repealing and reenacting, with amendments,
  Article – Criminal Law
  Section 5–601(c)(2) and 5–620(d)(2)
  Annotated Code of Maryland
  (2012 Replacement Volume and 2012 Supplement)

BY adding to
  Article – Criminal Law
  Section 5–1201 through 5–1230 to be under the new subtitle “Subtitle 12.
  Marijuana”
  Annotated Code of Maryland
  (2012 Replacement Volume and 2012 Supplement)

BY adding to
  Article – Tax – General
  Section 12.5–101 through 12.5–105 to be under the new title “Title 12.5.
  Marijuana Tax”
  Annotated Code of Maryland
  (2010 Replacement Volume and 2012 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
MARYLAND, That the Laws of Maryland read as follows:
Article – Criminal Law

5–601.

(c) (2) [(i)] A person whose violation of this section involves the use or possession of marijuana is subject to imprisonment not exceeding 1 year or a fine not exceeding $1,000 or both.

(ii) 1. A person convicted of the use or possession of less than 10 grams of marijuana is subject to imprisonment not exceeding 90 days or a fine not exceeding $500 or both.

2. Unless specifically charged by the State, the use or possession of less than 10 grams of marijuana under subsubparagraph 1 of this subparagraph may not be considered a lesser included crime of any other crime.

3. If a person is convicted under this subparagraph, the court shall stay any sentence imposed that includes an unserved, nonsuspended period of imprisonment without requiring an appeal bond:

A. until the time for filing an appeal has expired; and

B. if an appeal is filed, during the pendency of the appeal] SUBTITLE 12 OF THIS TITLE.

5–620.

(d) (2) A person who violates this section involving the use or possession of marijuana is subject to [imprisonment not exceeding 1 year or a fine not exceeding $1,000 or both] SUBTITLE 12 OF THIS TITLE.

5–1201.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) “COMPTROLLER” MEANS THE COMPTROLLER OF MARYLAND, OR THE COMPTROLLER’S DESIGNEE.

(C) “INDUSTRIAL HEMP” MEANS ANY LOW–TETRAHYDROCANNABINOL OIL–SEED AND FIBER VARIETY OF CANNABIS SATIVA L. WITH A DELTA–9–TETRAHYDROCANNABINOL CONCENTRATION THAT DOES NOT EXCEED
(D) (1) “MARIJUANA” MEANS:

(I) ALL PARTS OF THE PLANT CANNABIS SATIVA L., WHETHER GROWING OR NOT;

(II) THE SEEDS OF THE PLANT;

(III) THE RESIN EXTRACTED FROM A PART OF THE PLANT; OR

(IV) EVERY COMPOUND, MANUFACTURE, SALT, DERIVATIVE, MIXTURE, OR PREPARATION OF THE PLANT, ITS SEEDS, OR ITS RESIN.

(2) “MARIJUANA” DOES NOT INCLUDE THE MATURE STALKS OF THE PLANT, FIBER PRODUCED FROM THE STALKS, OIL OR CAKE MADE FROM THE SEEDS OF THE PLANT, ANY OTHER COMPOUND, MANUFACTURE, SALT, DERIVATIVE, MIXTURE, OR PREPARATION OF THE MATURE STALKS, EXCEPT THE EXTRACTED RESIN, FIBER, OIL OR CAKE, OR THE STERILIZED SEED OF THE PLANT THAT IS INCAPABLE OF GERMINATION.

(E) “MARIJUANA PARAPHERNALIA” MEANS EQUIPMENT, PRODUCTS, AND MATERIALS THAT ARE USED OR INTENDED FOR USE IN PLANTING, PROPAGATING, CULTIVATING, GROWING, HARVESTING, MANUFACTURING, COMPOUNDING, CONVERTING, PRODUCING, PROCESSING, PREPARING, TESTING, ANALYZING, PACKAGING, REPACKAGING, STORING, CONTAINING, CONCEALING, INGESTING, INHALING, OR OTHERWISE INTRODUCING MARIJUANA INTO THE HUMAN BODY.

(F) “PUBLIC PLACE” MEANS A STREET, AN ALLEY, A PARK, A SIDEWALK, OR A PUBLIC BUILDING OTHER THAN AN INDIVIDUAL DWELLING, OR A PLACE OF BUSINESS OR ASSEMBLY OPEN TO OR FREQUENTED BY THE PUBLIC, OR ANY OTHER PLACE TO WHICH THE PUBLIC HAS ACCESS.

(G) “RETAILER” MEANS AN ENTITY THAT IS:

(1) REGISTERED IN ACCORDANCE WITH THIS SUBTITLE TO BE EXEMPT FROM STATE PENALTIES FOR PURCHASING MARIJUANA FROM A WHOLESALER AND SELLING MARIJUANA AND MARIJUANA PARAPHERNALIA TO CUSTOMERS WHO ARE 21 YEARS OF AGE OR OLDER; OR

(2) EXEMPT FROM STATE PENALTIES UNDER § 5-1212 OF THIS SUBTITLE DUE TO THE COMPTROLLER NOT ISSUING REGISTRATIONS.
(H) “SAFETY COMPLIANCE FACILITY” means an entity that is:

1. registered in accordance with this subtitle to be exempt from State penalties for providing one or both of the following services:

   (i) training, including training in the cultivation of marijuana, safe handling of marijuana, and security and inventory procedures; or

   (ii) testing marijuana for potency and contaminants; or

2. exempt from State penalties under § 5–1214 of this subtitle due to the Comptroller not issuing registrations.

(I) (1) “SMOKING” means heating to at least the point of combustion, causing plant material to burn.

   (2) “SMOKING” does not include vaporizing, which means heating below the point of combustion and resulting in a vapor or mist.

(J) “STATE PROSECUTION” means prosecution initiated or maintained by the State or an agency or a political subdivision of the State.

(K) “VERIFICATION SYSTEM” means a phone or an Internet–based system that:

1. is operational 24 hours per day;

2. law enforcement personnel use to verify registry identification zip ties; and

3. is established and maintained by the Comptroller in accordance with § 5–1204 of this subtitle.

(L) “WHOLESALE” means an entity that is:

1. registered in accordance with this subtitle to be exempt from State penalties for cultivating, preparing, packaging,
OR SELLING MARIJUANA TO A RETAILER OR ANOTHER WHOLESALER, BUT NOT TO THE GENERAL PUBLIC; OR

(2) exempt from State penalties under § 5–1213 of this subtitle due to the Comptroller not issuing registrations.

(M) “ZIP TIE” means a fastener capable of being attached to a plant that is produced by or at the direction of the Comptroller.

5–1202.

(A) Except as otherwise provided in this subtitle, a person who is 21 years of age or older is exempt from arrest, civil or criminal penalty, seizure or forfeiture of assets, discipline by a State or local licensing board, and State prosecution for the following acts:

(1) actually and constructively using, obtaining, purchasing, transporting, or possessing:

(i) 1 ounce or less of MARIJUANA and three or fewer MARIJUANA SEEDLINGS OR CUTTINGS; OR

(ii) A mixture or preparation of MARIJUANA, including 5 grams or less of HASHISH, 16 ounces of MARIJUANA–INFUSED product in SOLID FORM, OR 72 OUNCES OF MARIJUANA–INFUSED PRODUCT IN LIQUID FORM, AND THREE OR FEWER MARIJUANA SEEDLINGS OR CUTTINGS;

(2) controlling the premises or a vehicle where up to 1 ounce or less of MARIJUANA and three or fewer MARIJUANA SEEDLINGS OR CUTTINGS per person who is 21 years of age or older is possessed, processed, or stored;

(3) using, obtaining, purchasing, transporting, or possessing, actually or constructively, MARIJUANA PARAPHERNALIA;

(4) SELLING MARIJUANA SEEDS TO A WHOLESALER;

(5) MANUFACTURING, POSSESSING, OR PRODUCING MARIJUANA PARAPHERNALIA;

(6) SELLING MARIJUANA PARAPHERNALIA TO RETAILERS, WHOLESALERS, OR PERSONS WHO ARE 21 YEARS OF AGE OR OLDER;
(7) TRANSFERRING 1 OUNCE OR LESS OF MARIJUANA AND THREE
OR FEWER MARIJUANA SEEDLINGS OR CUTTINGS WITHOUT REMUNERATION TO
A PERSON WHO IS 21 YEARS OF AGE OR OLDER;

(8) AIDING AND ABETTING ANOTHER PERSON WHO IS 21 YEARS
OF AGE OR OLDER IN THE POSSESSION OR USE OF 1 OUNCE OR LESS OF
MARIJUANA OR IN THE CULTIVATION OF THREE OR FEWER MARIJUANA PLANTS;

(9) AIDING AND ABETTING ANOTHER PERSON WHO IS 21 YEARS
OF AGE OR OLDER IN THE POSSESSION OR USE OF MARIJUANA PARAPHERNALIA;

(10) CULTIVATING THREE OR FEWER MARIJUANA PLANTS;

(11) CONTROLLING PREMISES WHERE NO MORE THAN FIVE OTHER
ADULTS 21 YEARS OF AGE OR OLDER CULTIVATE MARIJUANA PLANTS, WITH THE
TOTAL NUMBER OF PLANTS NOT EXCEEDING 18 IN A DWELLING UNIT;

(12) ASSISTING WITH THE CULTIVATION OF MARIJUANA PLANTS
THAT ARE CULTIVATED AT THE SAME LOCATION BY ADULTS 21 YEARS OF AGE
OR OLDER, WITH THE TOTAL NUMBER OF PLANTS NOT EXCEEDING 18 IN A
DWELLING UNIT; OR

(13) A COMBINATION OF THE ACTS DESCRIBED IN THIS
SUBSECTION.

(B) A RETAILER OR ANY OTHER PERSON THAT IS 21 YEARS OF AGE OR
OLDER AND ACTING IN A CAPACITY AS AN OWNER, EMPLOYEE, OR AGENT OF A
RETAILER THAT ACTS IN COMPLIANCE WITH THIS SUBTITLE IS EXEMPT FROM
ARREST, CIVIL OR CRIMINAL PENALTY, SEIZURE OR FORFEITURE OF ASSETS,
DISCIPLINE BY A STATE OR LOCAL LICENSING BOARD, AND STATE
PROSECUTION FOR THE FOLLOWING ACTS:

(1) TRANSPORTING OR POSSESSING, ACTUALLY OR
CONSTRUCTIVELY, MARIJUANA, INCLUDING SEEDLINGS OR CUTTINGS, THAT
WAS PURCHASED FROM A WHOLESALER;

(2) POSSESSING MARIJUANA PARAPHERNALIA;

(3) OBTAINING OR PURCHASING MARIJUANA FROM A
WHOLESALER;

(4) MANUFACTURING, POSSESSING, PRODUCING, OBTAINING, OR
PURCHASING MARIJUANA PARAPHERNALIA;

(5) SELLING, TRANSFERRING, OR DELIVERING MARIJUANA, INCLUDING SEEDLINGS OR CUTTINGS, THAT ORIGINATES FROM A WHOLESALER, OR MARIJUANA PARAPHERNALIA TO A PERSON WHO IS 21 YEARS OF AGE OR OLDER;

(6) AIDING AND ABETTING A PERSON WHO IS 21 YEARS OF AGE OR OLDER IN THE POSSESSION OR USE OF 1 OUNCE OR LESS OF MARIJUANA AND 3 OR FEWER MARIJUANA SEEDLINGS OR CUTTINGS;

(7) AIDING AND ABETTING ANY PERSON WHO IS 21 YEARS OF AGE OR OLDER IN THE POSSESSION OR USE OF MARIJUANA PARAPHERNALIA;

(8) CONTROLLING THE PREMISES OR A VEHICLE WHERE MARIJUANA OR MARIJUANA PARAPHERNALIA IS POSSESSED, SOLD, OR DEPOSITED IN A MANNER THAT IS NOT IN CONFLICT WITH THIS SUBTITLE OR REGULATIONS ISSUED BY THE COMPTROLLER; OR

(9) A COMBINATION OF THE ACTS DESCRIBED IN THIS SUBSECTION.

(C) A WHOLESALER OR ANY OTHER PERSON WHO IS 21 YEARS OF AGE OR OLDER AND ACTING IN A CAPACITY AS AN OWNER, EMPLOYEE, OR AGENT OF A WHOLESALER THAT ACTS IN COMPLIANCE WITH THIS SUBTITLE IS EXEMPT FROM ARREST, CIVIL OR CRIMINAL PENALTY, SEIZURE OR FORFEITURE OF ASSETS, DISCIPLINE BY A STATE OR LOCAL LICENSING BOARD, AND STATE PROSECUTION FOR THE FOLLOWING ACTS:

(1) CULTIVATING, PACKING, PROCESSING, TRANSPORTING, OR MANUFACTURING MARIJUANA;

(2) PRODUCING MARIJUANA–INFUSED PRODUCTS, INCLUDING TINCTURES, OILS, AND EDIBLE OR POTABLE GOODS;

(3) TRANSPORTING OR POSSESSING MARIJUANA THAT WAS PRODUCED BY THE WHOLESALER OR ANOTHER WHOLESALER;

(4) TRANSPORTING OR POSSESSING MARIJUANA SEEDS;

(5) POSSESSING, TRANSPORTING, SELLING, OR PRODUCING MARIJUANA PARAPHERNALIA;
(6) SELLING MARIJUANA TO A RETAILER OR A WHOLESALER;

(7) PURCHASING MARIJUANA FROM A WHOLESALER;

(8) PURCHASING MARIJUANA SEEDS FROM A PERSON WHO IS 21 YEARS OF AGE OR OLDER;

(9) CONTROLLING THE PREMISES OR A VEHICLE WHERE MARIJUANA OR MARIJUANA PARAPHERNALIA IS POSSESSED, MANUFACTURED, SOLD, OR DEPOSITED IN A MANNER THAT IS NOT IN CONFLICT WITH THIS SUBTITLE OR REGULATIONS ISSUED BY THE COMPTROLLER; OR

(10) A COMBINATION OF THE ACTS DESCRIBED IN THIS SUBSECTION.

(D) A SAFETY COMPLIANCE FACILITY OR ANY OTHER PERSON WHO IS 21 YEARS OF AGE OR OLDER AND ACTING IN A CAPACITY AS AN OWNER, EMPLOYEE, OR AGENT OF A SAFETY COMPLIANCE FACILITY THAT ACTS IN COMPLIANCE WITH THIS SUBTITLE MAY NOT BE SUBJECT TO STATE PROSECUTION, SEARCH EXCEPT BY THE COMPTROLLER IN ACCORDANCE WITH § 12.5–103 OF THE TAX–GENERAL ARTICLE, SEIZURE, OR PENALTY, OR BE DENIED A RIGHT OR PRIVILEGE, INCLUDING CIVIL PENALTY OR DISCIPLINARY ACTION BY A COURT OR BUSINESS LICENCING BOARD OR ENTITY, TO PROVIDE THE FOLLOWING SERVICES:

(1) ACQUIRING OR POSSESSING MARIJUANA OBTAINED FROM WHOLESALERS, RETAILERS, OR, IF THE QUANTITY IS NO MORE THAN 1 OUNCE PER PERSON, ADULTS 21 YEARS OF AGE OR OLDER;

(2) TRANSPORTING OR POSSESSING MARIJUANA OBTAINED FROM WHOLESALERS, RETAILERS, OR, IF THE QUANTITY IS NO MORE THAN 1 OUNCE PER PERSON, ADULTS 21 YEARS OF AGE OR OLDER;

(3) RETURNING MARIJUANA TO WHOLESALERS, RETAILERS, OR, IF THE QUANTITY IS NO MORE THAN 1 OUNCE PER PERSON, ADULTS 21 YEARS OF AGE OR OLDER;

(4) RECEIVING COMPENSATION FOR ANALYTICAL TESTING, INCLUDING FOR CONTAMINANTS OR POTENCY; OR

(5) A COMBINATION OF THE ACTS DESCRIBED IN THIS SUBSECTION.
(E) The acts listed in subsections (A) through (D) of this section, when undertaken in compliance with this subtitle, are lawful under State law.

(F) Except as provided in subsection (G) of this section, in a prosecution for selling, transferring, delivering, giving, or otherwise furnishing marijuana or marijuana paraphernalia to a person who is under 21 years of age, it is a complete defense if:

(1) The person who sold, gave, or otherwise furnished marijuana or marijuana paraphernalia to a person who is under 21 years of age was a retailer or was acting in a capacity as an owner, employee, or agent of a retailer at the time the marijuana or marijuana paraphernalia was sold, given, or otherwise furnished to the person; and

(2) Before selling, giving, or otherwise furnishing marijuana or marijuana paraphernalia to a person who is under 21 years of age, the person who sold, gave, or otherwise furnished the marijuana or marijuana paraphernalia, or an employee or agent of the retailer, was shown a document that appeared to be issued by an agency of a federal, state, tribal, or foreign sovereign government that indicated the person to whom the marijuana or marijuana paraphernalia was sold, given, or otherwise furnished was 21 years of age or older at the time the marijuana or marijuana paraphernalia was sold, given, or otherwise furnished to the person.

(G) The complete defense set forth in subsection (F) of this section does not apply if:

(1) The document that was shown to the person who sold, gave, or otherwise furnished the marijuana or marijuana paraphernalia was counterfeit, forged, altered, or issued to a person other than the person to whom the marijuana or marijuana paraphernalia was sold, given, or otherwise furnished; and

(2) Under the circumstances, a reasonable person would have known or suspected that the document was counterfeit, forged, altered, or issued to a person other than the person to whom the marijuana or marijuana paraphernalia was sold, given, or otherwise furnished.
(A) (1) IN THIS SUBSECTION, “NOT REASONABLY PRACTICABLE” INCLUDES:

(i) ON ANY DAY WITHIN 30 DAYS PRECEDING THE DAY WHEN LAW ENFORCEMENT ENCOUNTERED THE PLANT, THE COMPTROLLER’S WEB SITE DID NOT LIST A LOCATION MEETING THE REQUIREMENTS OF § 5–1204 OF THIS SUBTITLE AND IN THE SAME COUNTY AS THE ADULT’S RESIDENCE WHERE ZIP TIES COULD BE ANONYMOUSLY OBTAINED IN PERSON; AND

(ii) THE ADULT WHO IS 21 YEARS OF AGE OR OLDER OR A PERSON ACTING ON THE ADULT’S BEHALF ATTEMPTED TO PURCHASE A ZIP TIE FROM A LOCATION LISTED ON THE COMPTROLLER’S WEB SITE WITHIN 30 DAYS PRIOR TO THE LAW ENFORCEMENT ENCOUNTER, BUT THE LOCATION DID NOT HAVE A SUFFICIENT NUMBER OF ZIP TIES AVAILABLE, WAS NOT OPEN DURING THE POSTED HOURS, OR THE LOCATION DID NOT MEET THE REQUIREMENTS OF § 5–1204 OF THIS SUBTITLE.

(2) UNLESS OBTAINING A ZIP TIE WAS NOT REASONABLY PRACTICABLE, AN ADULT WHO IS 21 YEARS OF AGE OR OLDER WHO MANUFACTURES OR CULTIVATES MARIJUANA PLANTS WITHOUT A ZIP TIE AFFIXED TO OR WITHIN 12 INCHES OF EACH PLANT HAS COMMITTED A CIVIL VIOLATION PUNISHABLE BY A FINE OF UP TO $500 FOR ONE PLANT WITHOUT A ZIP TIE, OR UP TO $1,000 FOR TWO OR THREE PLANTS WITHOUT A ZIP TIE.

(B) (1) IN THIS SUBSECTION, “REASONABLE PRECAUTIONS” INCLUDES CULTIVATING MARIJUANA IN A LOCKED CLOSET, ROOM, OR FULLY ENCLOSED AREA TO WHICH THE PERSON OR PERSONS UNDER 21 YEARS OF AGE DO NOT POSSESS A KEY.

(2) AN ADULT WHO IS 21 YEARS OF AGE OR OLDER MAY NOT:

(i) MANUFACTURE OR CULTIVATE MARIJUANA PLANTS IN A LOCATION WHERE THE MARIJUANA PLANTS ARE SUBJECT TO PUBLIC VIEW WITHOUT THE USE OF BINOCULARS, AIRCRAFT, OR OTHER OPTICAL AIDS;

(ii) CULTIVATE MARIJUANA OUTDOORS OTHER THAN IN AN ENCLOSED LOCATION, SUCH AS A FENCED–IN AREA;

(iii) CULTIVATE MARIJUANA ON PROPERTY NOT LAWFULLY IN POSSESSION OF THE CULTIVATOR OR WITH THE CONSENT OF THE PERSON IN LAWFUL POSSESSION OF THE PROPERTY; OR
(IV) Allow one or more persons under 21 years of age to live in or be guests at property where marijuana is cultivated without taking reasonable precautions to prevent their access to marijuana plants.

(3) A person who violates this subsection is guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 10 days or a fine not exceeding $1,000 or both.

5–1204.

(A) (1) Within 120 days of the effective date of this subtitle, the Comptroller shall establish a means for residents of the State anonymously to obtain zip ties with the payment of a $100 fee per year per plant and a means for residents of the State to purchase zip ties online.

(2) The locations selling zip ties may be operated by State or local government agencies or private businesses.

(B) (1) Zip tie purchasers shall be allowed to choose whether to pay by cash or credit card.

(2) The Comptroller may allow additional methods of payment.

(C) The Comptroller shall ensure that there is at least one indoor location selling zip ties in each county that is open at least 40 daytime or evening hours per week on weekdays and at least 10 daytime or evening hours per week on weekends.

(D) (1) The Comptroller shall post a list of all locations at which zip ties may be purchased on its Web site, including the hours when zip ties may be purchased.

(2) The Comptroller shall retain an archived list of all locations that were posted to its Web site on each date for each county for at least 90 days.

(E) Persons purchasing zip ties may not be subject to surveillance by video cameras or still photography.
(F) (1) Within 120 days of the effective date of this subtitle, the Comptroller shall establish a means for residents of the State to purchase zip ties online.

(2) Zip ties shall be mailed to a purchaser within 15 days of the purchase.

(G) Each purchaser of a zip tie shall be required to provide the date of birth of the purchaser and to attest that the purchaser is a resident of the State.

(H) The Comptroller and the vendor or machine may not require the purchaser to disclose additional identifying information to obtain a zip tie, including names, Social Security numbers, or addresses.

(I) Each zip tie shall include a random identification number and an expiration date, which shall be 1 year after it is issued.

(J) (1) Within 120 days of the effective date of this subtitle, the Comptroller shall establish a phone or an Internet–based verification system that is operational 24 hours per day that law enforcement personnel can use to verify registry identification zip ties.

(2) The verification system shall allow law enforcement personnel to enter a registry identification number to determine whether or not the number corresponds with a zip tie identification number that has not expired.

5–1205.

This subtitle does not exempt a person from arrest, civil or criminal penalty, seizure or forfeiture of assets, discipline by a state or local licensing board, or state prosecution for the following acts:

(1) Driving, operating, or being in actual physical control of a vehicle or a vessel under power or sail while impaired by marijuana;

(2) Possessing marijuana if the person is a prisoner; or
(3) Possessing marijuana in a local detention facility, county jail, state prison, reformatory, or any other correctional facility, including a facility for the detention of juvenile offenders.

5–1206.

(A) (1) A person may not smoke marijuana in an indoor public place.

(2) A person who violates this subsection is guilty of a misdemeanor and on conviction is subject to:

(I) for the first violation, imprisonment not exceeding 10 days or a fine not exceeding $250 or both; or

(II) for the second or subsequent violation, imprisonment not exceeding 30 days or a fine not exceeding $500 or both.

(B) A person may not smoke marijuana in an outdoor public place.

(C) Violation of subsection (B) of this section is a civil offense, punishable by a fine of $150.

(D) Municipalities may impose additional fines equivalent to local fines for the consumption of alcohol in an outdoor public place.

5–1207.

This subtitle does not require employers to accommodate the use or possession of marijuana, or being under the influence of marijuana, in a place of employment.

5–1208.

(A) This subtitle does not prevent a landlord from prohibiting the cultivation of marijuana on the rental premises.

(B) If the landlord or innkeeper posts a notice, a landlord or an innkeeper may prohibit the smoking of marijuana on a rented
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PROPERTY OR IN A RENTED ROOM.

5–1209.

(A) A PERSON MAY NOT FALSELY REPRESENT THAT THE PERSON IS 21 YEARS OF AGE OR OLDER IN ORDER TO OBTAIN MARIJUANA OR MARIJUANA PARAPHERNALIA IN ACCORDANCE WITH THIS SUBTITLE.

(B) A PERSON WHO VIOLATES THIS SECTION IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO IMPRISONMENT NOT EXCEEDING 10 DAYS OR A FINE NOT EXCEEDING $250 OR BOTH.

5–1210.

THIS SUBTITLE SHALL, BY OPERATION OF LAW, EXPUNGE THE CONVICTION OF A PERSON PREVIOUSLY CONVICTED OF POSSESSION OF 1 OUNCE OR LESS OF MARIJUANA OR POSSESSION OF MARIJUANA PARAPHERNALIA, PROVIDED THAT THE PERSON WAS 21 YEARS OF AGE OR OLDER AT THE TIME OF CONVICTION.

5–1211.

THIS SUBTITLE DOES NOT REPEAL OR MODIFY A LAW CONCERNING THE MEDICAL USE OF MARIJUANA OR TETRAHYDROCANNABINOL IN OTHER FORMS, SUCH AS MARINOL.

5–1212.

EXCEPT AS OTHERWISE PROVIDED IN § 5–1215 OF THIS SUBTITLE:

(1) A PERSON OR AN ENTITY MAY APPLY, IN ACCORDANCE WITH THIS SUBTITLE AND THE REGULATIONS ADOPTED IN ACCORDANCE WITH THIS SUBTITLE, FOR THE ISSUANCE OF A REGISTRATION EXEMPTING THE ENTITY FROM STATE PROSECUTION AND PENALTIES FOR OPERATING AS A RETAILER IN ACCORDANCE WITH THIS SUBTITLE;

(2) EACH APPLICANT FOR A RETAILER REGISTRATION SHALL SUBMIT APPLICATION MATERIALS REQUIRED BY THE COMPTROLLER AND A NONREFUNDABLE FEE IN AN AMOUNT DETERMINED BY THE COMPTROLLER, NOT TO EXCEED $5,000;

(3) (I) ON OR BEFORE OCTOBER 1, 2014, THE COMPTROLLER SHALL ISSUE AT LEAST ONE RETAILER REGISTRATION PER COUNTY;
(II) On or before October 1, 2015, the Comptroller shall issue a number of retailer registrations that are no fewer than one valid and outstanding retailer registration for every 25,000 residents of the county per county, provided a sufficient number of qualified applicants exist;

(III) If more qualifying applicants apply than the Comptroller will register, the Comptroller shall implement a competitive scoring process to determine to which applicants to grant registrations, which may be varied for geographic distribution; and

(IV) The scoring system shall take into account:

1. The applicant and managing officers’ applicable experience, training, and expertise;

2. The applicant’s plan for security and diversion prevention;

3. Criminal, civil, or regulatory issues encountered by other entities that the applicant and managing officers have controlled or managed; and

4. The suitability of the proposed location;

(4) If at any time after October 1, 2015, there are no valid and outstanding retailer registrations for every 25,000 residents of the county per county, the Comptroller shall accept and process applications for retailer registrations;

(5) The fee for the initial issuance of a registration as a retailer is $10,000;

(6) (I) A registration as a retailer may be renewed annually for a $5,000 fee;

(II) The renewal application may be submitted up to 120 days before the expiration of the retailer registration; and

(III) If the Comptroller fails to approve a valid renewal application, the application shall be deemed granted 60
DAYS AFTER SUBMISSION; AND

(7) IF AT ANY TIME AFTER APRIL 1, 2015, THE COMPTROLLER
HAS FAILED TO BEGIN ISSUING RETAILER REGISTRATIONS OR HAS CEASED
ISSUING RETAILER REGISTRATIONS OR RENEWALS AS REQUIRED BY THIS
SUBTITLE, A RETAIL REGISTRATION SHALL NOT BE REQUIRED TO OPERATE AS A
RETAILER FOR A PERSON OR AN ENTITY THAT OPERATES IN A LOCATION ZONED
FOR RETAIL USE THAT SATISFIES THE REQUIREMENTS SET FORTH IN THIS
SUBTITLE AND REGULATIONS ADOPTED IN ACCORDANCE WITH THIS SUBTITLE.

5–1213.

EXCEPT AS OTHERWISE PROVIDED IN § 5–1215 OF THIS SUBTITLE:

(1) A PERSON MAY APPLY, IN ACCORDANCE WITH THIS SUBTITLE
AND THE REGULATIONS ADOPTED IN ACCORDANCE WITH THIS SUBTITLE, FOR
THE ISSUANCE OF A REGISTRATION EXEMPTING THE PERSON FROM STATE
PROSECUTION AND PENALTIES FOR OPERATING AS A WHOLESALER IN
ACCORDANCE WITH THIS SUBTITLE;

(2) EACH APPLICANT FOR A WHOLESALER REGISTRATION SHALL
SUBMIT APPLICATION MATERIALS REQUIRED BY THE COMPTROLLER AND A
NONREFUNDABLE FEE IN AN AMOUNT DETERMINED BY THE COMPTROLLER,
NOT TO EXCEED $5,000;

(3) (I) ON OR BEFORE 300 DAYS AFTER OCTOBER 1, 2013, THE
COMPTROLLER SHALL ISSUE AT LEAST FIVE WHOLESALER REGISTRATIONS,
PROVIDED THAT QUALIFIED APPLICANTS EXIST;

(II) ON OR BEFORE OCTOBER 1, 2015, THE COMPTROLLER
SHALL ISSUE AT LEAST FIVE WHOLESALER REGISTRATIONS PER 500,000
RESIDENTS OF THE STATE;

(III) IF MORE QUALIFYING APPLICANTS APPLY THAN THE
COMPTROLLER WILL REGISTER, THE COMPTROLLER SHALL IMPLEMENT A
COMPETITIVE SCORING PROCESS TO DETERMINE TO WHICH APPLICANTS TO
GRANT REGISTRATIONS, WHICH MAY BE VARIED FOR GEOGRAPHIC
DISTRIBUTION; AND

(IV) THE SCORING SYSTEM SHALL TAKE INTO ACCOUNT:

1. THE APPLICANT AND MANAGING OFFICERS’
APPLICABLE EXPERIENCE, TRAINING, AND EXPERTISE;
2. THE APPLICANT’S PLAN FOR SECURITY AND DIVERSION PREVENTION;

3. CRIMINAL, CIVIL, OR REGULATORY ISSUES ENCOUNTERED BY OTHER ENTITIES THAT THE APPLICANT AND MANAGING OFFICERS HAVE CONTROLLED OR MANAGED; AND

4. THE SUITABILITY OF THE PROPOSED LOCATION;

(4) (I) IF AT ANY TIME AFTER OCTOBER 1, 2015, THERE ARE FEWER VALID WHOLESALER REGISTRATIONS THAN SPECIFIED IN ITEM (3) OF THIS SECTION, THE COMPTROLLER SHALL ACCEPT AND PROCESS APPLICATIONS FOR WHOLESALER REGISTRATIONS; AND

(II) THE COMPTROLLER MAY, AT THE COMPTROLLER’S DISCRETION, GRANT ADDITIONAL WHOLESALER REGISTRATIONS;

(5) THE FEE FOR THE INITIAL ISSUANCE OF A REGISTRATION AS A WHOLESALER IS $10,000;

(6) (I) A REGISTRATION AS A WHOLESALER MAY BE RENEWED ANNUALLY FOR A $5,000 FEE;

(II) THE RENEWAL APPLICATION MAY BE SUBMITTED UP TO 120 DAYS BEFORE THE EXPIRATION OF THE WHOLESALER REGISTRATION; AND

(III) IF THE COMPTROLLER FAILS TO APPROVE A VALID RENEWAL APPLICATION, THE APPLICATION SHALL BE DEEMED GRANTED 60 DAYS AFTER SUBMISSION; AND

(7) IF AT ANY TIME AFTER APRIL 1, 2015, THE COMPTROLLER HAS FAILED TO BEGIN ISSUING WHOLESALER REGISTRATIONS OR HAS CEASED ISSUING WHOLESALER REGISTRATIONS IN ACCORDANCE WITH THIS SUBTITLE, A WHOLESALER REGISTRATION SHALL NOT BE REQUIRED TO OPERATE AS A WHOLESALER FOR A PERSON OR AN ENTITY THAT OPERATES IN A LOCATION ZONED FOR AGRICULTURAL OR INDUSTRIAL USE THAT SATISFIES THE REQUIREMENTS SET FORTH IN THIS SUBTITLE AND REGULATIONS ADOPTED IN ACCORDANCE WITH THIS SUBTITLE.

EXCEPT AS OTHERWISE PROVIDED IN § 5–1215 OF THIS SUBTITLE:
(1) An entity may apply, in accordance with this subtitle and the regulations adopted in accordance with this subtitle, for the issuance of a registration exempting the entity from State prosecution and penalties for operating as a safety compliance facility in accordance with this subtitle;

(2) Each applicant for a safety compliance facility registration shall submit application materials required by the Comptroller and a nonrefundable fee in an amount determined by the Comptroller, not to exceed $5,000;

(3) (I) If qualified applicants exist, the Comptroller shall grant a 2–year registration to at least two safety compliance facilities on or before October 1, 2014, provided that each facility pays a $5,000 fee;

(II) If more qualifying applicants apply than the Comptroller will register, the Comptroller shall implement a competitive scoring process to determine to which applicants to grant registrations, which may be varied for geographic distribution; and

(III) The scoring system shall take into account:

1. The applicant and managing officers’ applicable experience, training, and expertise;

2. The applicant’s plan for security and diversion prevention;

3. Criminal, civil, or regulatory issues encountered by other entities that the applicant and managing officers controlled or managed;

4. The applicant’s plan for services; and

5. The suitability of the proposed location;

(4) (I) If at any time after October 1, 2015, there are fewer than two valid safety compliance facility registrations, the Comptroller shall accept and process applications for safety compliance facility registrations; and
(II) In addition, the Comptroller may, at the Comptroller’s discretion, grant additional safety compliance facility registrations; and

(5) (I) A safety compliance facility registration may be renewed every 2 years for a $5,000 fee;

(II) The renewal application may be submitted up to 120 days before the expiration of the registration; and

(III) If the Comptroller fails to approve a valid renewal application, it shall be deemed granted 60 days after its submission.

5–1215.

A retailer, wholesaler, or safety compliance facility may not operate, and a prospective retailer, wholesaler, or safety compliance facility may not apply for, a registration if:

(1) The entity would be located within 1,000 feet of the property line of a preexisting public or private school; or

(2) The entity sells alcohol for consumption on the premises.

5–1216.

Nothing in this subtitle shall prohibit local governments from enacting ordinances or regulations not in conflict with this section or with rules adopted by the Comptroller regulating the time, place, and manner of wholesaler, retailer, or safety compliance facility operations.

5–1217.

A retailer, a wholesaler, or any other person may not advertise the sale of marijuana in a manner contrary to the regulations established by the Comptroller.

5–1218.
A RETAILER SHALL:

(1) INCLUDE A SAFETY INSERT WITH ALL MARIJUANA SOLD THAT MAY, AT THE COMPTROLLER’S DISCRETION, BE DEVELOPED AND APPROVED BY THE COMPTROLLER AND INCLUDE INFORMATION ON:

(I) METHODS FOR ADMINISTERING MARIJUANA;

(II) POTENTIAL DANGERS STEMMING FROM THE USE OF MARIJUANA; AND

(III) HOW TO RECOGNIZE WHAT MAY BE PROBLEMATIC USAGE OF MARIJUANA AND HOW TO OBTAIN APPROPRIATE SERVICES OR TREATMENT FOR PROBLEMATIC USAGE; AND

(2) SELL MARIJUANA IN ITS ORIGINAL WHOLESALER PACKAGING WITHOUT MAKING CHANGES OR REPACKAGING.

5–1219.

(A) A WHOLESALER SHALL:

(1) CREATE A UNIQUE PACKAGE AND LABEL FOR THE WHOLESALER’S MARIJUANA; AND

(2) IDENTIFY THE WHOLESALER AS THE PRODUCER.

(B) THE PACKAGING SHALL INCLUDE:

(1) THE NAME OR REGISTRATION NUMBER OF THE WHOLESALER;

(2) IF A SAFETY COMPLIANCE FACILITY IS OPERATIONAL, THE POTENCY OF THE MARIJUANA, AS DETERMINED BY TESTING BY A SAFETY COMPLIANCE FACILITY, REPRESENTED BY THE PERCENTAGE OF TETRAHYDROCANNABINOL BY MASS;

(3) A “PRODUCED ON” DATE THAT REFLECTS THE DATE THAT THE WHOLESALER FINISHED DRYING AND PROCESSING THE MARIJUANA AND PLACED IT IN ITS PACKAGING; AND

(4) WARNINGS THAT STATE: “CONSUMPTION OF MARIJUANA IMPAIRS YOUR ABILITY TO DRIVE A CAR OR OPERATE MACHINERY”, “KEEP AWAY FROM CHILDREN”, AND “POSSESSION OF MARIJUANA IS ILLEGAL
outside Maryland and under federal law”.

5–1220.

(A) All marijuana cultivated by a wholesaler shall be cultivated only in one or more enclosed, locked facilities, each of which shall have been registered with the Comptroller, unless the Comptroller has ceased issuing or failed to begin issuing registrations.

(B) An “enclosed, locked facility” may include a building, room, greenhouse, fully enclosed fenced–in area, or any other location enclosed on all sides and equipped with locks or other security devices that permit access only by:

(1) Employees, agents, or owners of the wholesaler, all of whom shall be 21 years of age or older;

(2) Government employees performing their official duties;

(3) Contractors performing labor that does not include marijuana cultivation, packaging, or processing if they are accompanied by an employee, agent, or owner of the wholesaler when they are in areas at which marijuana is being grown or stored; or

(4) Members of the media, elected officials, and other individuals 21 years of age or older touring the facility if they are accompanied by an employee, agent, or owner of the wholesaler.

5–1221.

(A) A wholesaler or any person who is acting in a capacity as an owner, employee, or agent of a wholesaler shall have documentation when transporting marijuana on behalf of the wholesaler that specifies:

(1) The amount of marijuana being transported;

(2) The registry identification number of the wholesaler;
(3) THE DATE THE MARIJUANA IS BEING TRANSPORTED; AND

(4) THE REGISTRY IDENTIFICATION NUMBER OF THE INTENDED RETAILER OR OTHER WHOLESALER.

(B) IF THE RETAILER OR WHOLESALER DOES NOT HAVE A REGISTRATION NUMBER because the Comptroller has ceased issuing registry identification certificates or has failed to begin issuing registry identification certificates, the retailer or wholesaler may instead use a number of its choosing that it consistently uses on documentation in place of a registry identification number.

5–1222.

(A) A RETAILER MAY NOT:

(1) SELL, GIVE, OR OTHERWISE FURNISH MARIJUANA OR MARIJUANA PARAPHERNALIA TO A PERSON WHO IS UNDER 21 YEARS OF AGE;

(2) ALLOW A PERSON WHO IS UNDER 21 YEARS OF AGE TO BE PRESENT INSIDE A ROOM WHERE MARIJUANA IS STORED OR SOLD BY THE RETAILER UNLESS THE PERSON WHO IS UNDER 21 YEARS OF AGE IS A GOVERNMENT EMPLOYEE PERFORMING OFFICIAL DUTIES, AN ELECTED OFFICIAL, A MEMBER OF THE MEDIA, OR A CONTRACTOR PERFORMING LABOR THAT DOES NOT INCLUDE MARIJUANA CULTIVATION, PACKAGING, OR PROCESSING;

(3) SELL, GIVE, OR OTHERWISE FURNISH MORE THAN 1 OUNCE OF MARIJUANA OR MORE THAN THREE PLANTS, SEEDLINGS, OR CUTTINGS OF MARIJUANA TO A PERSON IN A SINGLE TRANSACTION;

(4) KNOWINGLY AND WILLFULLY SELL, GIVE, OR OTHERWISE FURNISH AN AMOUNT OF MARIJUANA TO A PERSON THAT WOULD CAUSE THAT PERSON TO POSSESS MORE THAN 1 OUNCE OF MARIJUANA OR MORE THAN THREE MARIJUANA PLANTS, SEEDLINGS, OR CUTTINGS;

(5) PURCHASE MARIJUANA, OTHER THAN MARIJUANA SEEDS, FROM ANY PERSON OTHER THAN A WHOLESALER; OR

(6) VIOLATE REGULATIONS ADOPTED BY THE COMPTROLLER.

(B) IN ADDITION TO PENALTIES PROVIDED BY LAW, A PERSON WHO VIOLATES THIS SECTION IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS
SUBJECT TO A FINE NOT EXCEEDING $1,000.

(C) (1) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, IN A
PROSECUTION FOR A VIOLATION OF SUBSECTION (A)(2) OF THIS SECTION, IT IS
A COMPLETE DEFENSE THAT BEFORE ALLOWING A PERSON WHO IS UNDER 21
YEARS OF AGE INTO A ROOM WHERE MARIJUANA IS SOLD OR STORED, AN
EMPLOYEE OR AGENT OF THE RETAILER WAS SHOWN A DOCUMENT THAT
APPEARED TO BE ISSUED BY AN AGENCY OF A FEDERAL, STATE, TRIBAL, OR
FOREIGN SOVEREIGN GOVERNMENT AND INDICATED THAT THE PERSON WHO
WAS ALLOWED ONTO THE PREMISES OF THE RETAILER WAS 21 YEARS OF AGE
OR OLDER AT THE TIME THE PERSON WAS ALLOWED ONTO THE PREMISES OF
THE RETAILER.

(2) THE DEFENSE SET FORTH IN THIS SUBSECTION DOES NOT
APPLY IF:

(I) THE DOCUMENT THAT WAS SHOWN TO THE PERSON WHO
ALLOWED THE PERSON WHO IS UNDER 21 YEARS OF AGE ONTO THE PREMISES
OF THE RETAILER WAS COUNTERFEIT, FORGED, ALTERED, OR ISSUED TO A
PERSON OTHER THAN THE PERSON WHO WAS ALLOWED ONTO THE PREMISES OF
THE RETAILER; AND

(II) UNDER THE CIRCUMSTANCES, A REASONABLE PERSON
WOULD HAVE KNOWN OR SUSPECTED THAT THE DOCUMENT WAS COUNTERFEIT,
FORGED, ALTERED, OR ISSUED TO A PERSON OTHER THAN THE PERSON WHO
WAS ALLOWED ONTO THE PREMISES OF THE RETAILER.

(A) A WHOLESALER MAY NOT:

(1) ALLOW A PERSON WHO IS UNDER 21 YEARS OF AGE TO BE
PRESENT ON THE PREMISES OF AN ENCLOSED, LOCKED FACILITY WHERE
MARIJUANA IS CULTIVATED OR IN A ROOM WHERE THE WHOLESALER STORES
OR PROCESSES MARIJUANA UNLESS THE PERSON IS AN EMPLOYEE OF THE
Office of the Comptroller, a public safety officer performing
duties, an elected official, a member of the media, or a contractor
performing labor unrelated to marijuana cultivation, packaging,
or processing;

(2) SELL, GIVE, OR OTHERWISE FURNISH MARIJUANA TO ANY
PERSON OTHER THAN A RETAILER, A WHOLESALER, A SAFETY COMPLIANCE
FACILITY, OR AN EMPLOYEE OR AGENT ACTING ON BEHALF OF A RETAILER,
WHOLESALE, OR SAFETY COMPLIANCE FACILITY;

(3) PURCHASE MARIJUANA, OTHER THAN MARIJUANA SEEDS, FROM A PERSON OTHER THAN A WHOLESALER; OR

(4) PURCHASE OR SELL, GIVE, OR OTHERWISE FURNISH MARIJUANA IN A MANNER OTHER THAN AS IS EXEMPTED FROM STATE PENALTIES IN ACCORDANCE WITH THIS SUBTITLE AND REGULATIONS ADOPTED IN ACCORDANCE WITH THIS SUBTITLE.

(B) A PERSON WHO VIOLATES THIS SECTION IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING $1,000.

(C) (1) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, IN A PROSECUTION FOR A VIOLATION OF SUBSECTION (A)(1) OF THIS SECTION, IT IS A COMPLETE DEFENSE THAT BEFORE ALLOWING THE PERSON WHO IS UNDER 21 YEARS OF AGE ONTO THE PREMISES OF THE WHOLESALER, AN EMPLOYEE OR AGENT OF THE WHOLESALER WAS SHOWN A DOCUMENT THAT APPEARED TO BE ISSUED BY AN AGENCY OF A FEDERAL, STATE, TRIBAL, OR FOREIGN SOVEREIGN GOVERNMENT AND INDICATED THAT THE PERSON WHO WAS ALLOWED ONTO THE PREMISES OF THE WHOLESALER WAS 21 YEARS OF AGE OR OLDER AT THE TIME THE PERSON WAS ALLOWED ONTO THE PREMISES OF THE WHOLESALER.

(2) THE COMPLETE DEFENSE SET FORTH IN THIS SUBSECTION DOES NOT APPLY IF:

(I) THE DOCUMENT THAT WAS SHOWN TO THE PERSON WHO ALLOWED THE PERSON WHO IS UNDER 21 YEARS OF AGE ONTO THE PREMISES OF THE WHOLESALER WAS COUNTERFEIT, FORGED, ALTERED, OR ISSUED TO A PERSON OTHER THAN THE PERSON WHO WAS ALLOWED ONTO THE PREMISES OF THE WHOLESALER; AND

(II) UNDER THE CIRCUMSTANCES, A REASONABLE PERSON WOULD HAVE KNOWN OR SUSPECTED THAT THE DOCUMENT WAS COUNTERFEIT, FORGED, ALTERED, OR ISSUED TO A PERSON OTHER THAN THE PERSON WHO WAS ALLOWED ONTO THE PREMISES OF THE WHOLESALER.

(A) THE COMPTROLLER MAY SUSPEND OR TERMINATE THE REGISTRATION OF A RETAILER, WHOLESALER, OR SAFETY COMPLIANCE FACILITY THAT COMMITS MULTIPLE OR SERIOUS VIOLATIONS OF THIS SUBTITLE
OR REGULATIONS ISSUED IN ACCORDANCE WITH THIS SUBTITLE.

(B) IF THE COMPTROLLER HAS CEASED ISSUING REGISTRATIONS OR HAS NOT BEGUN ISSUING REGISTRATIONS, AND A RETAILER, WHOLESALER, OR SAFETY COMPLIANCE FACILITY LACKS A REGISTRATION AS A RESULT, A CITY OR COUNTY WHERE THE RETAILER, WHOLESALER, OR SAFETY COMPLIANCE FACILITY IS OPERATING MAY FILE FOR AN INJUNCTION IN CIRCUIT COURT IF THE RETAILER HAS COMMITTED MULTIPLE OR SERIOUS VIOLATIONS OF THIS SUBTITLE OR REGULATIONS ISSUED IN ACCORDANCE WITH THIS SUBTITLE.

5–1225.

IT IS NOT A VIOLATION OF STATE OR LOCAL LAW FOR A PERSON TO PLANT, GROW, HARVEST, POSSESS, PROCESS, SELL, OR BUY INDUSTRIAL HEMP IF THAT PERSON DOES SO IN COMPLIANCE WITH THE REGULATIONS ADOPTED BY THE DEPARTMENT OF AGRICULTURE AS REQUIRED IN § 5–1227 OF THIS SUBTITLE.

5–1226.

IT IS NOT A VIOLATION OF STATE OR LOCAL LAW FOR A PERSON TO PURCHASE OR POSSESS A MATERIAL OR PRODUCT MADE, IN WHOLE OR IN PART, WITH INDUSTRIAL HEMP.

5–1227.

THE DEPARTMENT OF AGRICULTURE SHALL ADOPT REGULATIONS NECESSARY TO REGISTER A PERSON TO PLANT, GROW, HARVEST, POSSESS, PROCESS, SELL, OR BUY INDUSTRIAL HEMP AND SET REASONABLE FEES.

5–1228.

(A) A PERSON WHO IS 21 YEARS OF AGE OR OLDER IS AUTHORIZED TO MANUFACTURE, PRODUCE, USE, OBTAIN, PURCHASE, TRANSPORT, OR POSSESS, ACTUALLY OR CONSTRUCTIVELY, MARIJUANA PARAPHERNALIA.

(B) A PERSON WHO IS 21 YEARS OF AGE OR OLDER IS AUTHORIZED TO DISTRIBUTE OR SELL MARIJUANA PARAPHERNALIA TO RETAILERS, WHOLESALERS, OR PERSONS WHO ARE 21 YEARS OF AGE OR OLDER.

5–1229.

(A) A PERSON UNDER 21 YEARS OF AGE MAY NOT POSSESS MARIJUANA.
(B) A person who violates this section is guilty of a civil offense and is subject to:

(1) The forfeiture of the marijuana; and

(2) Completion of up to 4 hours of instruction in a drug awareness program.

(C) The parents or legal guardians of an offender under 18 years of age shall be notified of the offense and of available drug awareness programs that shall be established by the Department.

(D) The Department shall set fees for the program sufficient to cover all costs of administering the program, not exceeding $300.

(E) An offender who fails to complete, within 1 year of the notice of the offense and available programs, a drug awareness program is subject to a civil penalty not exceeding $300 and community service not exceeding 20 hours or both.

5–1230.

(A) The Governor shall appoint a 12–member oversight committee composed of:

(1) One member of the House of Delegates, appointed by the Speaker of the House;

(2) The Comptroller, or the Comptroller’s designee;

(3) One member of the Senate of Maryland, appointed by the President of the Senate;

(4) One physician with experience in medical marijuana issues;

(5) One economist;

(6) One board member or principal officer of a registered safety compliance facility;
(7) ONE INDIVIDUAL WITH EXPERIENCE IN POLICY DEVELOPMENT OR IMPLEMENTATION IN THE FIELD OF MARIJUANA POLICY;

(8) ONE PUBLIC HEALTH PROFESSIONAL;

(9) ONE SOCIOLOGIST;

(10) ONE ATTORNEY FAMILIAR WITH FIRST AMENDMENT LAW;

(11) ONE EXPERT IN CRIMINAL JUSTICE; AND

(12) ONE RESEARCHER.

(B) THE OVERSIGHT COMMITTEE SHALL MEET AT LEAST TWO TIMES EACH YEAR FOR THE PURPOSE OF COLLECTING INFORMATION ABOUT AND EVALUATING THE EFFECTS OF THIS SUBTITLE AND REPORTING AND MAKING RECOMMENDATIONS TO THE COMPTROLLER ON ISSUES INCLUDING:

(1) THE CONTENT OF SAFETY INSERTS;

(2) WHETHER ADDITIONAL WARNING LABELS SHOULD BE ADDED;

(3) STRATEGIES FOR EDUCATING PHYSICIANS AND THE PUBLIC ABOUT RESEARCH RELATING TO MARIJUANA’S BENEFITS AND RISKS;

(4) THE EFFECT, IF ANY, ON ORGANIZED CRIME IN THE STATE;

(5) QUALITY CONTROL AND LABELING STANDARDS;

(6) RESTRICTIONS ON ADVERTISING;

(7) REPORTING AND DATA MONITORING RELATED TO BENEFICIAL AND ADVERSE EFFECTS OF MARIJUANA; AND

(8) THE LATEST RESEARCH RELATED TO DRIVING UNDER THE INFLUENCE OF MARIJUANA, POLICIES FOR ROADSIDE SOBRIETY TESTS, AND CHANGES TO STATUTES RELATING TO DRIVING UNDER THE INFLUENCE.

(C) THE COMPTROLLER SHALL SUBMIT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2–1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY AN ANNUAL REPORT BY THE FIRST THURSDAY OF EVERY YEAR, ADDRESSING:
(1) THE DIRECT REVENUE AND COSTS RELATED TO IMPLEMENTING THIS SUBTITLE, INCLUDING REVENUE FROM TAXES, FINES, AND FEES;

(2) THE NUMBER OF REGISTRATIONS SUSPENDED AND REVOKED, AND THE NATURE OF THE REVOCATIONS;

(3) THE NUMBER OF ZIP TIES SOLD ANNUALLY; AND

(4) THE FINDINGS OF THE OVERSIGHT COMMITTEE.

Article – Tax – General

TITLE 12.5. MARIJUANA TAX.

12.5–101.

AN EXCISE TAX IS IMPOSED ON MARIJUANA WHOLESALERS, AS DEFINED IN § 5–1201 OF THE CRIMINAL LAW ARTICLE, AND SHALL BE COLLECTED ON ALL MARIJUANA SOLD TO RETAILERS AT THE RATE OF:

(1) $50 PER OUNCE OR PROPORTIONATE PART OF AN OUNCE; OR

(2) AN AMOUNT THAT THE COMPTROLLER MAY SET THAT ADJUSTS THE INITIAL $50 PER OUNCE RATE FOR INFLATION OR DEFLATION BASED ON THE CONSUMER PRICE INDEX.

12.5–102.

THE COMPTROLLER SHALL APPORTION THE MONEY REMITTED TO THE COMPTROLLER FROM REGISTRATION FEES AND TAXES COLLECTED IN ACCORDANCE WITH THIS TITLE IN THE FOLLOWING MANNER:

(1) THE COMPTROLLER SHALL RETAIN SUFFICIENT MONEY TO DEFRAY THE ENTIRE COST OF ADMINISTRATION OF THIS TITLE; AND

(2) THE COMPTROLLER SHALL REMIT THE REMAINING MONEY TO THE GENERAL FUND OF THE STATE, 40% OF WHICH SHALL BE DISTRIBUTED TO THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE FOR USE IN VOLUNTARY PROGRAMS FOR THE PREVENTION OR TREATMENT OF THE ABUSE OF ALCOHOL, TOBACCO, OR CONTROLLED DANGEROUS SUBSTANCES, AND 10% OF WHICH SHALL BE SPENT ON CLINICAL RESEARCH INTO THE MEDICAL EFFICACY OF MARIJUANA.
(A) **The Comptroller is responsible for administering and carrying out this title.**

(B) **The Comptroller may adopt regulations that are necessary and convenient to administer and carry out this title.**

(C) **The Comptroller shall adopt regulations that:**

1. **set forth the procedures for the application for and issuance of registrations to retailers, wholesalers, and safety compliance testing facilities, including the content and form for an application to be registered as a retailer, wholesaler, or safety compliance facility;**

2. **specify the procedures for the collection of taxes levied in accordance with this title;**

3. **specify the content, form, and timing of reports that shall be completed by each retailer, wholesaler, and safety compliance facility and that shall be available for inspection by the Comptroller, including information on sales, expenses, inventory, and taxes and shall be retained for at least 1 year after the completion of the forms;**

4. **specify the requirements for the packaging and labeling of marijuana, including those in § 5–1219 of the Criminal Law Article;**

5. **specify the requirements for the safety insert to be included with marijuana by retailers, including those in § 5–1218 of the Criminal Law Article, if the Comptroller chooses to do so;**

6. **establish reasonable security requirements for wholesalers and retailers;**

7. **require the posting or display of the registration of a retailer, wholesaler, or safety compliance facility;**

8. **establish restrictions on advertising for the sale of marijuana, which shall be in compliance with the Maryland**
CONSTITUTION AND THE U.S. CONSTITUTION, THAT DO NOT PREVENT
APPROPRIATE SIGNS ON THE PROPERTY OF THE RETAILER OR WHOLESALER,
LISTINGS IN BUSINESS DIRECTORIES INCLUDING PHONE BOOKS, LISTINGS IN
PUBLICATIONS FOCUSED ON MARIJUANA, OR THE SPONSORSHIP OF HEALTH OR
NOT–FOR–PROFIT CHARITY OR ADVOCACY EVENTS;

(9) ESTABLISH PROCEDURES FOR INSPECTING AND AUDITING
THE RECORDS OR PREMISES OF A RETAILER, WHOLESALER, OR SAFETY
COMPLIANCE FACILITY;

(10) SET A SCHEDULE OF CIVIL FINES FOR VIOLATIONS OF THIS
TITLE AND REGULATIONS ISSUED IN ACCORDANCE WITH THIS TITLE;

(11) SET FORTH THE PROCEDURES FOR HEARINGS ON CIVIL FINES
AND SUSPENSIONS AND REVOCATION OF A REGISTRATION AS A RETAILER,
WHOLESALER, OR SAFETY COMPLIANCE FACILITY FOR A VIOLATION OF THIS
TITLE OR THE REGULATIONS ADOPTED IN ACCORDANCE WITH THIS TITLE;

(12) ESTABLISH REASONABLE ENVIRONMENTAL CONTROLS,
INCLUDING RESTRICTIONS ON THE USE OF PESTICIDES, TO ENSURE THAT
REGISTERED RETAILERS, WHOLESALERS, AND SAFETY COMPLIANCE FACILITIES
MINIMIZE HARM TO THE ENVIRONMENT, ADJOINING AND NEARBY
LANDOWNERS, AND PERSONS PASSING BY;

(13) ESTABLISH RULES REQUIRING RETAILERS, WHOLESALERS,
AND SAFETY COMPLIANCE FACILITIES TO CREATE IDENTIFICATION CARDS FOR
THEIR EMPLOYEES AND PROVIDING FOR THE CONTENTS OF THE
IDENTIFICATION CARDS; AND

(14) ESTABLISH RULES FOR THE SAFE TRANSPORTATION OF
MARIJUANA.

(D) THE COMPTROLLER SHALL MAKE AVAILABLE FREE OF CHARGE ALL
FORMS FOR APPLICATIONS AND REPORTS.

(E) THE COMPTROLLER SHALL ISSUE ALL REGISTRATIONS AS
REQUIRED BY THIS TITLE AND TITLE 5, SUBTITLE 12 OF THE CRIMINAL LAW
ARTICLE.

(F) (1) EXCEPT AS PROVIDED IN THIS SUBSECTION, THE
COMPTROLLER SHALL KEEP THE NAME AND ADDRESS OF EACH RETAILER,
WHOLESALER, AND SAFETY COMPLIANCE FACILITY AND EACH OWNER,
EMPLOYEE, OR AGENT OF A RETAILER, WHOLESALER, AND SAFETY COMPLIANCE
FACILITY CONFIDENTIAL AND REFUSE TO DISCLOSE THIS INFORMATION TO AN 
INDIVIDUAL OR A PUBLIC OR PRIVATE ENTITY, EXCEPT AS NECESSARY FOR 
AUTHORIZED EMPLOYEES OF THE COMPTROLLER TO PERFORM OFFICIAL 
dUTIES OF THE COMPTROLLER IN ACCORDANCE WITH THIS TITLE.

(2) THE COMPTROLLER MAY CONFIRM TO A STATE OR LOCAL 
LAW ENFORCEMENT OFFICER THAT A RETAILER, WHOLESALER, OR SAFETY 
COMPLIANCE FACILITY HOLDS A VALID REGISTRATION IF THE LAW 
ENFORCEMENT OFFICER INQUIRES ABOUT THE SPECIFIC LOCATION OR ENTITY.

12.5–104.

(A) THE COMPTROLLER SHALL ADOPT REGULATIONS TO IMPLEMENT 
THIS TITLE AND SHALL BEGIN ACCEPTING APPLICATIONS FOR RETAILERS, 
WHOLESALERS, AND SAFETY COMPLIANCE FACILITIES WITHIN 180 DAYS AFTER 
OCTOBER 1, 2013.

(B) IF THE COMPTROLLER FAILS TO ADOPT REGULATIONS TO 
IMPLEMENT THIS TITLE AND BEGIN PROCESSING APPLICATIONS FOR 
RETAILERS, WHOLESALERS, AND SAFETY COMPLIANCE FACILITIES WITHIN 180 
DAYS AFTER OCTOBER 1, 2013, A CITIZEN MAY COMMENCE AN ACTION IN A 
COURT OF COMPETENT JURISDICTION TO COMPEL THE COMPTROLLER TO 
PERFORM THE ACTIONS MANDATED IN ACCORDANCE WITH THIS TITLE.

12.5–105.

NOTWITHSTANDING ANY FEDERAL TAX LAW TO THE CONTRARY, IN 
COMPUTING NET INCOME FOR BUSINESSES EXEMPTED FROM CRIMINAL 
PENALTIES UNDER STATE LAW, THERE SHALL BE ALLOWED AS A DEDUCTION 
FROM STATE TAXES ALL THE ORDINARY AND NECESSARY EXPENSES PAID OR 
INCURRED DURING THE TAXABLE YEAR IN CARRYING ON A TRADE OR BUSINESS 
AS A MARIJUANA RETAILER, WHOLESALER, OR SAFETY COMPLIANCE FACILITY 
AS DEFINED BY § 5–1201 OF THE CRIMINAL LAW ARTICLE, INCLUDING 
REASONABLE ALLOWANCE FOR SALARIES OR OTHER COMPENSATION FOR 
PERSONAL SERVICES ACTUALLY RENDERED.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 
October 1, 2013.