



SB0953 –Medical Cannabis–Dispensary Grower-Processor License-Bloom Medicinals– SUPPORT

Madam Chair, Madam Vice-Chair and Members of the Committee:

My name is Nicole Van Rensburg and I am head of a certified woman-owned, independent medical cannabis dispensary in Germantown. On behalf of our entire organization and our patients, we would like to sincerely thank Delegate Ivey for sponsoring this important piece of legislation.

As many of you are aware, Maryland's medical marijuana legislation was signed into law in 2013. Maryland quickly became one of the most competitive markets in the country with 882 applications being filed for only 94 licenses. In December of 2015, after months of hard work and making significant investment preparing the application, we were overjoyed to discover that we had won one of the coveted licenses. Some companies have had to pay tens of thousands of dollars to hold on to real estate for potential facilities. Others have lost investors.

In December of 2017, we finally succeeded in opening our doors, only 1 of 30 such companies to open within the one-year state deadline. While we celebrated this accomplishment and warmly welcomed our patients and customers, it soon became apparent that this was the uphill part of the journey. We endured the setbacks; severe product shortages, unreliable deliveries, waiting lists for new patients and many other growing pains consistent with a nascent marketplace. However, we were resilient and worked hand in hand with the Commission during those tumultuous few years. Maryland's patient registry exploded exponentially and the market, due to an artificially low number of growers and processors, failed to keep up with demand for the medicine produced.

Still, we pushed onward through 2018 and by the end of 2019, we were just beginning to see some of the fruits of our labor and see the rewards for our effort and faith. The company began to stabilize and as a result, we began to increase our investments into the community. We have built relationships within the community, focused and committed resources to those areas that are most economically disadvantaged, and aggressively recruited minority-owned small businesses for our contracting relationships. And as a company, we just started to establish ourselves as a model corporate citizen in Germantown.

However, in April of 2019, the Maryland Senate passed SB426, which allowed for the consolidation of dispensaries in the marketplace. This has placed undue pressure on independent dispensaries in a variety of ways and threatens to put many independents out of business while creating artificial price increases for patients throughout the state. This is in direct opposition to the intent and spirit of the initial cannabis law and harms the two stakeholders for which the law was designed to help, the patients that need this medicine the most and the small independent business owners vested in this marketplace.

Specifically, the passage of SB426 has in two major ways:

- Independent dispensaries are having severe difficulties getting access to reliable, quality medicine
- Some growers are forcing dispensaries to agree to take unwanted products to gain access to flower
- We have already been working in the industry for several years, background checks, financials, etc. are on record with Commission
- It's a matter of fairness and equity, we have already set a precedent in allowing growers and processors to obtain licenses in 2018 that they had not been originally awarded
- We will go through the same inspection process and held to the same standards as the existing growers and processors
- This is only segment of the industry that the General Assembly has not assisted directly
- This is the ONLY diverse segment of the marketplace; most of the independent dispensaries are owned by women and other minorities.
- Independent dispensaries that are allowed to grow and process will not have a major impact on sales for the existing growers and processors; they will have had a 7-year head start on any new grower or processor entities.

In closing, passage of SB0953 bill will literally determine if we remain a viable business in Maryland or if we must close up shop, layoff our employees, and/or be bought out by one of the conglomerates SB426 created.

After all of our efforts, all the investments we have made, and the long journey we have endured to reach this stage of the process, it is regrettable that the General Assembly does not seem poised to offer this group of investors relief. We beg you to consider our plight and consider doing something for these licensees before Sine Die.

Again, for the reasons stated, we respectfully request a favorable report for SB0953. For questions or further information, please contact: J. Darrell Carrington, Carrington & Associates, LLC – 732.763.7398 email darrell.carrington@verizon.net