



## **Senate Bill 537**

### ***Cannabis - Licensee Locations - Restrictions***

MACo Position: **SUPPORT**

To: Finance Committee

**WITH AMENDMENTS**

Date: February 22, 2024

From: Dominic J. Butchko and Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS SB 537 WITH AMENDMENTS**. This bill attempts to provide more clarity regarding certain land use elements related to the placement of cannabis dispensaries and outdoor growing facilities.

The 2023 legalization of recreational cannabis has opened the door to economic opportunity, but has also led to a realigning of views regarding the place of cannabis in communities. Similarly to leaders at the state level, county leaders continue to actively debate this subject while being sensitive to the constituent concerns. The intent of SB 537 is to provide additional guardrails so both businesses and local governments can have more certainty in the rollout of this new industry.

MACo has been working with the Maryland Cannabis Administration on amendments to provide more clarity in the implementation of these provisions. The MACo amendments include:

**Amendment #1: Expand the 500ft buffer to 1000ft. Clarify the buffer's applicability.**

This amendment expands the 500ft buffer to 1000ft and clarifies that the buffer applies not only to certain preexisting sites but also to property purchased specifically for the construction of certain sites. This amendment is not intended to impact cannabis dispensaries that may already be constructed within the buffer of a later planned certain site.

*Amendment Language:*

On page 3, STRIKE lines 19 through line 24 and INSERT:

“(1) 1000 FEET OF:

(I) A PRE-EXISTING PRIMARY OR SECONDARY SCHOOL SITE IN THE STATE THAT IS PRE-EXISTING, OR A SITE OWNED BY THE POLITICAL SUBDIVISION, A LOCAL BOARD OF EDUCATION, OR THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION OR OTHER STATE OR LOCAL GOVERNMENTAL UNIT FOR THE SPECIFIC PURPOSE OF A FUTURE SCHOOL SITE, OR A SITE DESIGNATED FOR A PRIMARY OR

SECONDARY SCHOOL IN THE POLITICAL SUBDIVISION'S ADOPTED COMPREHENSIVE LAND USE PLAN OR CAPITAL IMPROVEMENT PLAN, OR

(II) A PRE-EXISTING LICENSED CHILD CARE CENTER OR REGISTERED FAMILY CHILD CARE HOME UNDER TITLE 9.5 OF THE EDUCATION ARTICLE; OR

(III) A PRE-EXISTING PLAYGROUND, RECREATION CENTER, LIBRARY, PUBLIC PARK, OR A SITE OWNED BY THE POLITICAL SUBDIVISION, A LOCAL BOARD OF EDUCATION, OR THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION OR OTHER STATE OR LOCAL GOVERNMENTAL UNIT FOR THE SPECIFIC PURPOSE OF A FUTURE PLAYGROUND, RECREATION CENTER, LIBRARY, OR PUBLIC PARK, OR A SITE DESIGNATED FOR PLAYGROUND, RECREATION CENTER, LIBRARY, OR PUBLIC PARK IN THE POLITICAL SUBDIVISION'S ADOPTED COMPREHENSIVE LAND USE PLAN OR CAPITAL IMPROVEMENT PLAN; OR

(IV) A PLACE OF WORSHIP; OR"

**Amendment #2: Expand the allowable distance between dispensaries.**

This amendment expands the required buffer between cannabis dispensaries, providing guardrails so that communities do not become overwhelmed with an overabundance of dispensaries.

*Amendment Language:*

On page 3, STRIKE line 25 and INSERT,

“(2) 2,000 FEET OF ANOTHER DISPENSARY UNDER THIS TITLE.”

**Amendment #3: Create a buffer between purely residential zoning and cannabis dispensaries.**

In historic communities with older patterns of development, commercial and residential zones may be abutting each other with little to no buffer. In some communities in the Baltimore region, for example, it is not uncommon to have commercial development on one side of a street or alley and have residential development on the other side. Unlike traditional commercial development, like liquor stores, cannabis operates under much stricter access and security requirements. It is not unusual to have long lines of people waiting to enter a dispensary, due to that dispensary being filled to capacity. These lines and congestion present circumstances unique to cannabis, which may present unintended consequences for neighbors. To prevent these consequences, counties request a minimal buffer between dispensaries and purely residential communities be required.

*Amendment Language:*

On page 3, line 26, INSERT,

“(3) 100 FEET OF AN AREA ZONED FOR RESIDENTIAL USE.”

**Amendment #4: Clarify that the buffers authorized in subsections (b) & (c) are applicable regardless of current county policy.**

As currently drafted, it is not clear that counties can enforce subsections (b) and (c) unless they already had these requirements for liquor stores. Counties request that clarifying language be added to reflect the legislative intent and ensure these provisions are implementable.

*Amendment Language:*

On page 4, in line 2, after “(E)” and before “A POLITICAL SUBDIVISION” INSERT:

“EXCEPT AS AUTHORIZED UNDER SUBSECTIONS (B) AND (C) OF THIS SECTION,”

**Amendment #5: Ensure certain provisions related to security and safety are preserved in state statute.**

Public safety is of the utmost concern for local governments. Counties request that certain requirements adopted via regulations related to security at cannabis cultivation sites be preserved in state statute.

*Amendment Language:*

The bill should incorporate, either through new language or by reference, the following regulations under COMAR 10.62.10.03 – 10.62.10.08 governing facility security:

**10.62.10.03**

**Additional Provisions for Field or Greenhouse Cultivation Premises.**

- A. Licensed premises for field cultivation of medical cannabis shall be situated to maintain the greatest achievable level of privacy and security.
- B. Physical Security. An area of cultivation shall be securely surrounded by fencing and gates constructed to prevent unauthorized entry.
- C. Fencing and gates shall be equipped with a security alarm system that:
  - (1) Covers the entire perimeter;
  - (2) Is continuously monitored; and

(3) Is capable of detecting power loss.

D. The premises shall be protected by a video surveillance recording system to ensure:

(1) Surveillance of the entire perimeter of the area of cultivation;

(2) Surveillance over all portions of the security fence and all gates; and

(3) Adherence to the video surveillance requirements of this chapter.

E. A video surveillance system shall be supported by adequate security lighting which may be modified as necessary to include motion control sensors to protect light-dark cycles for proper cultivation.

#### 10.62.10.06

##### **Security Alarm Systems.**

A. A licensee shall maintain a security alarm system that covers all perimeter entry points and portals at all premises.

B. A security system shall be:

(1) Continuously monitored;

(2) Capable of detecting smoke and fire; and

(3) Capable of detecting power loss.

C. A security alarm system shall include panic alarm devices mounted at convenient, readily-accessible locations throughout the licensed premises.

D. A second, independent security alarm system shall be used to protect:

(1) A location where records are stored on-site;

(2) A location where records are stored off-site; and

(3) A cabinet or room that holds medical cannabis.

E. A security alarm system shall remain operational until a licensed premises no longer has any medical cannabis, seeds, or cuttings on the premises.

F. A security alarm system shall be equipped with auxiliary power sufficient to maintain operation for at least 48 hours.

**10.62.10.07**

**Video Surveillance Requirements.**

A. A licensee shall maintain a motion-activated video surveillance recording system at all premises that:

- (1) Records all activity in images of high quality and high resolution capable of clearly revealing facial detail;
- (2) Operates 24-hours a day, 365 days a year without interruption; and
- (3) Provides a date and time stamp for every recorded frame.

B. A licensee shall post appropriate notices advising visitors of the video surveillance.

C. A surveillance camera shall be located and operated to capture each exit from the premises.

D. A surveillance camera shall capture activity at each:

- (1) Entrance to an area where medical cannabis is grown, tested, cured, manufactured, processed, or stored; and
- (2) Area where medical cannabis is trimmed, packaged, cured, or stored.

E. The storage of all recordings of security video surveillance shall be:

- (1) Access-limited;
- (2) Secured by a security alarm system that is independent of the main premises security alarm system;
- (3) In a format that can be easily accessed for investigational purposes; and
- (4) Retained for a minimum of 90 calendar days.

F. Any recording of security video surveillance shall be made available to the Commission or law enforcement agency for just cause as requested within 48 hours.

G. Violation.

- (1) Failure to provide the Commission with any recording of video surveillance within 48 hours of a request from the Commission is a violation of COMAR 10.62.34.01.

(2) Each day of recording that a licensee fails to provide to the Commission, within the minimum of 90 calendar days that shall be retained, constitutes a separate violation.

**10.62.10.08**

**Visitor to a Non-Public Area of the Premises.**

A. When a visitor is admitted to a non-public area of the premises of a licensee, a registered grower agent shall:

- (1) Log the visitor in and out;
- (2) Retain with the log a photocopy of the visitor's government-issued identification;
- (3) Continuously visually supervise the visitor while on the premises; and
- (4) Ensure that the visitor does not touch any plant or medical cannabis.

B. A Commission inspector as defined in COMAR 10.62.33.01 is not subject to the visitor requirements established in §A of this regulation.

C. The licensee shall maintain a log of all visitors to non-public areas for 2 years.

Counties thank both the Maryland Cannabis Administration and sponsors for considering county concerns and for working with MACo on this set of reasonable and targeted amendments. By making the modifications referenced herein, SB 537 will be an implementable piece of legislation that provides clarity and certainty for industry and local governments alike. For this reason, MACo urges the committee to give SB 537 a **FAVORABLE WITH AMENDMENTS** report.