MEMORANDUM

September 10, 2025

TO: Planning, Housing, and Parks (PHP) Committee

FROM: Livhu Ndou, Senior Legislative Attorney

SUBJECT: Zoning Text Amendment (ZTA) 25-07, Retail Sales and Service - Cannabis

Dispensary

PURPOSE: Worksession

EXPECTED ATTENDEES

• Atul Sharma, Division Chief – Design, Placemaking & Policy, Planning Department

- Lisa Govoni, Supervisor Housing, Infrastructure, and Zoning Policy, County Planning Department
- Benjamin Berbert, Planner III Countywide Planning & Policy, Montgomery County Planning Department
- Ehsan Motazedi, Deputy Director, Department of Permitting Services (DPS)
- Victor Salazar, Division Chief Zoning and Code Compliance, DPS
- Dr. Earl Stoddard, Assistant Chief Administrative Officer Office of the County Executive

Introduction

Zoning Text Amendment (ZTA) 25-07, Retail Sales and Service – Cannabis Dispensary, Lead Sponsors Councilmembers Albornoz and Katz, and Co-Sponsor Council President Stewart, was introduced on May 13, 2025. ZTA 25-07 will prohibit licensed cannabis dispensaries within 100 feet of a lot with a residential use.

PUBLIC HEARING

A public hearing was held on June 17, 2025. Several speakers testified, and the Council received written testimony. Testimony asked for clarification on how this would impact restaurants with liquor licenses. Testimony in support expressed concerns about dispensaries abutting residential

 $^{{}^{1}} Written testimony can be found here: \\ \underline{https://www.montgomerycountymd.gov/COUNCIL/OnDemand/testimony/20250617/item4.html}.$

² ZTA 25-07 only restricts the proximity of cannabis dispensaries to residential uses. It does not change the requirements for restaurants or alcoholic beverage retailers.

properties, including construction noise and being open at late hours. Testimony in support also expressed concerns about insurance risks, large amounts of cash being a safety issue, parking concerns, decreased home values, and the exposure of children and adolescents to cannabis. Testimony in opposition noted that alcoholic beverage retailers are allowed near residences, and are arguably a more harmful use, but are not subject to the same restrictions. Testimony in opposition also noted the negative impact on local businesses.

SUMMARY OF IMPACT STATEMENTS

RESJ Impact Statement

The Office of Legislative Oversight (OLO) anticipates that ZTA 25-07 "will have a minimal impact on racial equity and social justice (RESJ) in the County. While OLO cannot describe the race and ethnicity of the owners of new cannabis dispensaries or of the households located near them, OLO anticipates burdens and benefits of the 100-foot setback between dispensaries and residences proposed under ZTA 25-07 will likely offset one another." OLO noted that while new dispensary owners may be burdened, households located near new dispensaries could benefit. Due to this, OLO does not offer any amendments to ZTA 25-07.

Climate Assessment

The Planning Board "anticipates that the proposed changes to the existing zoning regulations proposed in ZTA 25-07 will have no significant climate-related impacts to GHG emissions, carbon sequestration and drawdown, to community resiliency, or adaptive capacity." Due to this, the Planning Board did not recommend any amendments to ZTA 25-07 based on the climate assessment.

Planning Board Recommendation

The Planning Board (4-1, Bartley dissenting) supported ZTA 25-07 with amendments. The Planning Board recommended creating a new use for cannabis dispensaries. The Planning Board also suggested that the language as introduced is too restrictive, noting that "[g]iven that most zones that permit Retail/Service Establishments are a mixed-use zone, this language could amount to a near total prohibition on the location of new dispensaries, and would make most existing dispensaries non-conforming uses since most zones where Retail/Service Establishment is allowed are mixed-use zones that may be near residential uses."³

DISCUSSION

1. Does the County have the authority to adopt this ZTA?

During the 2025 legislative session, the General Assembly passed SB0215, which allows the County to establish a distance restriction for cannabis dispensaries relative to residential areas:

³ These mixed-use zones include the Commercial/Residential zones, such as many of the downtown areas in the County, where businesses may be located near residential uses.

- (g) A political subdivision may:
 - (1) by ordinance, establish a distance limitation for dispensaries of up to 100 feet from an area zoned for residential use; or
 - (2) apply to dispensaries the distance limitation for licensed alcoholic beverage retailers from an area zoned for residential use.

The County Attorney has provided the Council with a written opinion confirming that the County has the authority to adopt a ZTA that prohibits licensed cannabis dispensaries within 100 feet of a lot improved with a residential use. The County Attorney notes that "it is apparent that while the state legislature created a general rule prohibiting a county from establishing zoning requirements for a cannabis dispensary that are more restrictive than the zoning requirements it applies to an alcoholic beverage retail dealer under the ABC Article, it simultaneously carved out an exception regarding distance limitations between dispensaries and residentially zoned areas."

2. How is "residential use" defined?

"Area zoned for residential use" is not clearly defined in the State bill, but in the County, residential use is allowed in every zone. To prevent the ZTA from being too broad and conflicting with the intent of the State law, ZTA 25-07 will require a cannabis dispensary to be at least 100 feet from "a lot that is improved with a residential use at the time of application." This will mean that if a residential use is located on a lot within 100 feet of the proposed dispensary at the time of the application, the dispensary will be prohibited under County zoning law.

The use table has many residential uses, including:

- Single-Unit Living;
- Two-Unit Living:
- Townhouse Living;
- Multi-Unit Living;
- Commercial to Residential Reconstruction;
- Dormitory;
- Independent Living Facility for Seniors or Persons with Disabilities;
- Personal Living Quarters;
- Residential Care Facility;
- Accessory Dwelling Unit;
- Dwelling for Caretaker/Watchkeeper;

⁴ The County does not currently have distance limitations from residentially zoned areas for alcoholic beverage retailers.

⁵ The dispensary must also be "licensed by the Maryland Cannabis Administration." This language is included in ZTA 25-07 because under State law, it is the State that issues the licenses for a dispensary, with a limit on the number of licenses issued each year. The number of licenses issued depends on the type of license, including grower, processor, dispensary, incubator space, and on-site consumption.

- Farm Labor Housing Unit;
- Guest House;
- Home Health Practitioner;
- Home Occupation;
- Mixed-Income Housing Community; and
- Short-Term Residential Rental.

3. How will the Department of Permitting Services (DPS) enforce this ZTA?

DPS always measures in a straight line, on a horizontal axis. Further, the distance will be measured as 100 feet from the lot line, since the ZTA reads "must be at least 100 feet from a lot that is improved with a residential use at the time of application".

DPS currently considers a cannabis dispensary to be a Retail/Service Establishment use. Under the current Zoning Ordinance, whether a Retail/Service Establishment is a permitted or limited use depends on the size of the establishment. Since ZTA 25-07 makes all Retail/Service Establishment a limited use, in order to accommodate the new setback provision for cannabis dispensaries, standards based on the size of the use are added directly to the text. The images below show an example of this change for the CRT and NR zone. To avoid these technical changes, the Planning Board recommended adding cannabis dispensary as its own, new use; similar to Vape Shop. Since onsite consumption is not currently allowed in the County, the definition of a Retail/Service Establishment as a business that provides "sale of goods to the public" is accurate for a cannabis dispensary.

• • •																		l		
Retail/Service Establishment (Up to 5,000 SF)	3.5. <u>11.B.</u>									L	[P] <u>L</u>	L	L	L	. L	L				
Retail/Service Establishment (5,001 - 15,000 SF)	3.5. <u>11.B.</u>									L	L	[P] <u>L</u>	[P] <u>L</u>	[P] <u>L</u>	[P] <u>L</u>	L	L	L	. L	L
Retail/Service Establishment (15,001 - 50,000 SF)	3.5. <u>11.B.</u>										L	[P] <u>L</u>	[P] <u>L</u>	[P] <u>L</u>	[P] <u>L</u>	L	L	L	. L	L
Retail/Service Establishment (50,001 - 85,000 SF)	3.5. <u>11.B.</u>											L	L	[P] <u>L</u>	[P] <u>L</u>			L	. L	L
Retail/Service	3.5. <u>11.B.</u>																			

[iii]c. For a Retail/Service Establishment in [In] the CRT zone 50,001 square feet and over, and in the [,] GR[,] and NR zones 85,001 square feet and over, if the subject lot abuts or confronts a property zoned Agricultural, Rural Residential, or Residential Detached that is vacant or improved with an agricultural or residential use, site plan approval is required under Section 7.3.4.

4. How will this impact existing dispensaries?

ZTAs are not retroactive so this ZTA will only apply to cannabis dispensaries that have not filed an application by the effective date of this ZTA. Dispensaries that currently exist within 100 feet of a lot improved with a residential use, or dispensaries that are approved after this ZTA but a residential use subsequently moves within 100 feet, will become nonconforming uses. Under Section 7.7.2.A. of the Zoning Ordinance, a lawful nonconforming use can continue to exist but must not be expanded.

This packet contains:

ZTA 25-07, as introduced	© 1
Planning Board recommendation	© 13
Planning Staff report	© 15
Climate Assessment	© 21
RESJ Impact Statement	© 24
County Attorney Opinion	© 27

Ordinance No	·:		
Zoning Text A	mendn	nent No.:	25-07
Concerning:	Retail S	Sales and S	Service –
	Cannab	ois Dispens	sary
Revised: 5/5	5/2025	_Draft No	.: <u>1</u>
Introduced:	Mar	y 13, 2025	
Public Hearing	g:		
Adopted:			
Effective:			•

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND SITTING AS THE DISTRICT COUNCIL FOR THAT PORTION OF THE MARYLAND-WASHINGTON REGIONAL DISTRICT WITHIN MONTGOMERY COUNTY, MARYLAND

Lead Sponsors: Councilmembers Albornoz and Katz Co-Sponsor: Council President Stewart

AN AMENDMENT to the Montgomery County Zoning Ordinance to:

- (1) specify the setback requirement for a licensed cannabis dispensary; and
- (2) generally amend the setback requirements for a Retail/Service Establishment.

By amending the following sections of the Montgomery County Zoning Ordinance, Chapter 59 of the Montgomery County Code:

Division 3.5. "Commercial Uses"

Section 3.5.11. "Retail Sales and Service"

Division 4.9. "Overlay Zones"

Section 4.9.22. "Retail Sales and Service"

EXPLANATION: Boldface indicates a Heading or a defined term.

<u>Underlining</u> indicates text that is added to existing law by the original text amendment.

[Single boldface brackets] indicate text that is deleted from existing law by original text amendment.

<u>Double underlining</u> indicates text that is added to the text amendment by amendment.

[[Double boldface brackets]] indicate text that is deleted from the text amendment by amendment.

* * indicates existing law unaffected by the text amendment.

ORDINANCE

The County Council for Montgomery County, Maryland, sitting as the District Council for that portion of the Maryland-Washington Regional District in Montgomery County, Maryland, approves the following ordinance:

Sec. 1. DIVISION 59-3.1 is amended as follows:

Division 3.1. Use Table

1

* * *

4 Section 3.1.6. Use Table

- 5 The following Use Table identifies uses allowed in each zone. Uses may be
- 6 modified in Overlay zones under Division 4.9.

												Resid	lential													
Definitions and	Ag	Rural Residential		Residential Detached						d	Residential Townhouse			Residential Multi-Unit			Commercial/ Residential				Emp	loym	ent	Inc	lustrial	
Standards	AR	R	RC	RNC	RE-2	RE- 2C	RE-1		R- 90	R- 60	R- 40	TLD	TMD	THD	R-30	R-20	R-10	CRN	CRT	CR	GR	NR	LSC	EOF	IL IN	1 IH
3.3.3																										
3.5.11.B.																	L	[P] <u>L</u>	[P] <u>L</u>	[P] <u>L</u>	[P] <u>L</u>	[P] <u>L</u>	L	L	LL	L
3.5.11.B.																	L	L	[P] <u>L</u>	[P] <u>L</u>	[P] <u>L</u>	[P] <u>L</u>	L	L	L L	L
3.5.11.B.																		L	[P] <u>L</u>	[P] <u>L</u>	[P] <u>L</u>	[P] <u>L</u>	L	L	L L	L
3.5.11.B.																			L	L	[P] <u>L</u>	[P] <u>L</u>			LL	L
3.5.11.B.																			L	L	L	L			L L	L
	3.3.3 3.5.11.B. 3.5.11.B.	and Standards AR	and Standards Ag R AR R 3.3.3 3.5.11.B. 3.5.11.B.	Ag Reside. AR R RC 3.3.3.3 3.5.11.B. 3.5.11.B.	Ag Residential AR R RC RNC 3.3.3.3 3.5.11.B. 3.5.11.B. 3.5.11.B.	Ag Residential AR R RC RNC RE-2 3.3.3.3 3.5.11.B. 3.5.11.B. 3.5.11.B.	Ag Residential AR R RC RNC RE-2 RE-2C 3.3.3.3 3.5.11.B. 3.5.11.B. 3.5.11.B.	Ag Residential AR R RC RNC RE-2 RE-1 2C RE-1 3.3.3.3 3.5.11.B. 3.5.11.B. 3.5.11.B.	Residential Residential	Ag Residential Det Standards AR R RC RNC RE-2 RE-1 R- 200 90 3.3.3.3 3.5.11.B.	Residential Residential Detaches Residential Residential Detaches Residential Residential Detaches Residential Residential Detaches Residential Residential	Residential Residential	Definitions and Standards	Residential Residential Residential Residential Detached Townhouse Townhouse	Name	Definitions and Standards	Definitions and Standards Ag	Definition and Standards Ag	Definition and Standards	Part	Purple Purple	Definitions standards Ag	Definitions and Standards Ag RC RC RC RC RC RC RC R	Part	Purple P	Note Note

8			* * *
9		Sec.	2. DIVISION 59-3.5 is amended as follows:
10	Divis	sion 3.	5. Commercial Uses
11			* * *
12	Secti	on 3.5	.11. Retail Sales and Service
13			* * *
14	B.	Reta	il/Service Establishment
15		1.	Defined
16		Retai	il/Service Establishment means a business providing personal services
17		or sa	le of goods to the public. Retail/Service Establishment does not include
18		Anin	nal Services (see Section 3.5.1, Animal Services) or Drive-Thru (see
19		Secti	on 3.5.14.E, Drive-Thru).
20		2.	Use Standards
21			[a.] Where a Retail/Service Establishment is allowed as a limited use,
22			it must satisfy the following standards:
23			[i]a. In the R-10 zone:
24			[(a)]i. The apartment building type must contain a minimum of
25			150 dwelling units, be a minimum of 60 feet in height,
26			and be on a site with a minimum of 5 acres.
27			[(b)]ii. A maximum of 10% of the gross floor area of the
28			building or 10,000 square feet, whichever is less, may be
29			used for the Retail/Service Establishment use.
30			[(c)]iii. Only small-scale retail sales and personal service
31			establishments are permitted. Small-scale retail sales and
32			personal service establishments provide convenience

33

goods and services typically requiring frequent purchase

34	and a minimum of travel by occupants of the nearby
35	commercial area and adjacent residential neighborhood.
36 [ii] <u>b</u> .	In the CRN zone, for a Retail/Service Establishment 5,001 to
37	<u>50,000</u> <u>square</u> <u>feet</u> :
38	[(a)]i. If the subject lot abuts or confronts a property zoned
39	Agricultural, Rural Residential, or Residential Detached
40	that is vacant or improved with an agricultural or
41	residential use, site plan approval is required under
42	Section 7.3.4.
43	[(b)]ii. A Retail/Service Establishment over 15,000 square feet
44	of gross floor area must be a grocery store.
45 [iii] <u>c</u> .	For a Retail/Service Establishment in [In] the CRT zone 50,001
46	square feet and over, and in the [,] GR[,] and NR zones 85,001
47	square feet and over, if the subject lot abuts or confronts a
48	property zoned Agricultural, Rural Residential, or Residential
49	Detached that is vacant or improved with an agricultural or
50	residential use, site plan approval is required under Section
51	7.3.4.
52 [iv] <u>d</u> .	In the CRT[,] and CR zones 50,001 square feet and over, and in
53	the[,] GR[,] and NR zones 85,001 square feet and over, where a
54	development is located within 1/2 mile of a Metro station
55	entrance and has a minimum 50,000 square foot footprint or a
56	minimum of 100,000 square feet of all gross floor area designed
57	for a single user, it must satisfy the following standards:
58	[(a)]i. In addition to any street-facing entrance requirement, all
59	sides of a building that front an abutting public right-of-
60	way must have at least one active entrance.

61	[(b)]ii. Parking facilities, excluding access driveways, must be
62	located below-grade or in a structure behind or within the
63	primary building.
64	[(c)]iii. The maximum building footprint of the area designed
65	for a single Retail/Service Establishment use is 80,000
66	square feet.
67	[(d)]iv. Additional floor area equal to at least 20% of the
68	footprint designed for the largest Retail/Service
69	Establishment must be provided as street level retain
70	spaces with less than 5,000 square feet of tenant gross
71	floor area each. These spaces must be located at stree
72	level, and a secondary entrance accessing the primary
73	Retail/Service Establishment use is prohibited. At least
74	50% of the additional tenant space(s) must be located
75	along the facade where the primary active customer
76	entrance for the largest single Retail/Service
77	Establishment is located.
78	[(e)]v. If applicable, full architectural parapets or equivalent
79	features must be used around the entire building to
80	conceal rooftop mechanical equipment.
81	[(f)]vi. Any residential floor area or office floor area must be
82	equal to or greater than the gross floor area designed for
83	the subject Retail/ Service Establishment. At least 50% of
84	the gross floor area of the non-retail component must be
85	located above the street level retail footprint.
86	[(g)] <u>vii.</u> Section [3.5.11.B.2.a.iv.(c)] <u>3.5.11.B.2.d.iii.</u> through
87	Section [3.5.11.B.2.a.iv.(f)] 3.5.11.B.2.d.vi. do not apply

88	if more than 75% of the gross floor area of the Retail
89	Service Establishment is a cellar.
90	[(h)]viii. For a project greater than 500,000 square feet of gross
91	floor area, the Planning Board may approve a
92	development that does not satisfy Section
93	[3.5.11.B.2.a.iv.(a)] <u>3.5.11.B.2.d.i.</u> through Section
94	[3.5.11.B.2.a.iv.(f)] <u>3.5.11.B.2.d.vi.</u> if it finds that the
95	project, through an alternative design, results in a more
96	appropriate configuration of the site.
97	[(i)]ix. Section [3.5.11.B.2.a.iv] <u>3.5.11.B.2.d.</u> does not apply to
98	a regional shopping center.
99	[v]e. In the EOF zone, Retail/Service Establishment is limited to a
100	maximum of 30% of the gross floor area on the subject site.
101	[vi]f. In the LSC zone, if the tract is larger than 5 acres,
102	Retail/Service Establishment is limited to a maximum of 10%
103	of the gross floor area of development approved under one
104	application. If site plan approval is required under Section
105	7.3.4, the Planning Board may approve a maximum of 15% of
106	the gross floor area for Retail/Service Establishment if the
107	Planning Board finds that unique circumstances are present and
108	the area would be enhanced by additional retail activity.
109	[vii]g. In the IL and IM zones, Retail/Service Establishment is limited
110	to:
111	[(a)]i. building and food service supply, home design and
112	furnishings, wholesale or retail;
113	[(b)]ii. computer programming and software sales and service.
114	including data banks, and data retrieval;

115	[(c)]iii. wholesale trades limited to sale or rental of products
116	intended for industrial or commercial users; and
117	[(d)]iv. other Retail/Service Establishment uses or a
118	combination of Office, Retail/Service Establishment, or
119	Restaurant uses that occupy a maximum of 35% of the
120	mapped FAR.
121	[viii]h. In the IH zone, Retail/Service Establishment is limited to:
122	[(a)]i. building and food service supply, home design and
123	furnishings, wholesale or retail;
124	[(b)]ii. computer programming and software sales and service,
125	including data banks, and data retrieval; and
126	[(c)]iii. wholesale trades limited to sale or rental of products
127	intended for industrial or commercial users.
128	[ix]i. For Retail/Service Establishments 120,001 square feet and
129	over:
130	[(a)]i. Any facade longer than 100 horizontal feet must
131	incorporate wall plane projections or recesses.
132	[(b)]ii. Street level retail facades that front public or private
133	streets or parking areas must provide transparent glazing
134	for at least 60 percent of the horizontal length of the
135	building façade as measured from a height of no more
136	than 3 feet above the walkway grade to no more than 8
137	feet above the walkway grade. Transparent glazing
138	includes transparent windows, unobstructed display
139	windows, or transparent store doors.

140		[(c)]iii. All sides of a building that front an abutting public
141		right-of-way must have at least one active retail,
142		residential, or office entrance.
143		[(d)]iv. Areas for storage, truck parking, trash collection, or
144		compaction and loading must be screened from public
145		rights-of-way.
146		[(e)]v. Variations in rooflines must be used when possible. Full
147		architectural parapets or equivalent features must be used
148		around the entire building to conceal rooftop mechanical
149		equipment.
150	<u>j.</u>	A cannabis dispensary licensed by the Maryland Cannabis
151		Administration must be at least 100 feet from a lot that is
152		improved with a residential use at the time of application.
153		* * *
154	Sec. 3. DI	VISION 59-4.9 is amended as follows:
155	Division 4.9. Ov	erlay Zones
156		* * *
157	Section 4.9.22. V	White Flint 2-Parklawn (WF-P) Overlay Zone
158		* * *
159	2. Den	sity
160	a.	The maximum total FAR in the WF-P Overlay zone is 1.5.
161	b.	A minimum 0.25 FAR must be provided for uses allowed in the
162		IL Zone, other than the uses allowed under [Subsection
163		59.3.5.11.B.2.a.vii(d)] <u>Section 3.5.11.B.2.g.iv</u> ; the floor area for
164		such uses must be existing or built concurrently with any
165		residential uses.
166	c.	The maximum density for residential uses is 0.75 FAR.

167	d.	The 1	maximum amount of gross floor area for other limited uses
168		allov	ved under [Subsection 59.3.5.11.B.2.a.vii(d)] Section
169		3.5.1	1.B.2.g.iv is the greater of:
170		i.	the gross floor area of those uses existing on the site on
171			December 1, 2017; or
172		ii.	0.5 FAR.
173			* * *
174	Sec. 4.	Effective	e date. This ordinance becomes effective 20 days after the
175	date of Council	adoption	1.

ZONING TEXT AMENDMENT NO.: 25-07

This is a correct copy of	Council action.	
C D T 1		
Sara R. Tenenbaum		
Clerk of the Council		

Montgomery County Planning Board THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

18

2425 Reedie Drive Floor 14 Wheaton, MD 20902



MontgomeryPlanningBoard.org

June 10, 2025

The Honorable Kate Stewart President, Montgomery County Council Stella B. Werner Council Office Building 100 Maryland Avenue, Room 501 Rockville, Maryland 20850

Subject: Zoning Text Amendment 25-07, Retail Sales and Service – Cannabis Dispensary

BOARD RECOMMENDATION

The Montgomery County Planning Board of the Maryland-National Capital Park and Planning Commission met on June 5, 2025, and by a vote of 4:1 (Commissioner Bartley voting against) supported Zoning Text Amendment (ZTA) 25-07 with comments. This ZTA would require that any Retail Sales and Service use as a cannabis dispensary must be located at least 100 feet away from a property improved with a residential use.

The ZTA follows state enabling legislation, first signed into law with HB-805 in 2024. The legislation allows a local jurisdiction to require cannabis dispensaries to be set back up to 100 feet from residential land. To enact this change, the use Retail/Service Establishment is proposed to be made a limited use in any zone that currently permits the use in the Zoning Code. A new use standard is also added, requiring the 100-foot setback for cannabis dispensaries.

The Planning Board has two recommendations for the ZTA. The first is to consider establishing cannabis dispensary as its own use in the Zoning Code. As introduced, the ZTA makes substantial revisions to the use standards of the Retail/Service Establishment use, including making the use a limited use in every zone where it is permitted today. This complicates the use standards for Retail/Service Establishments in the Commercial/Residential and Employment zones. The Council could consider adding the new use of cannabis dispensary as a new use under Section 3.5.11.F., similar to Vape Shop found under 3.5.11.E.

Second, the Planning Board recommends that the Council consider whether the language under Section 3.5.11.B.2.j. is too restrictive. The language states that cannabis dispensaries must be at least 100 feet from a lot that is improved with a residential use at the time of application. Given that most zones that permit Retail/Service Establishments are a mixed-use zone, this language could amount to a near total prohibition on the location of new dispensaries, and would make most existing dispensaries non-conforming uses.

As part of ZTA 25-07, the Board also considered a Climate Assessment prepared by Planning Staff. The assessment found minimal to no net impacts on carbon emissions and sequestration, community

The Honorable Kate Stewart June 10, 2025 Page 2

resiliency and adaptive capacity, or on any actions with the Climate Action Plan. This ZTA is a technical amendment establishing a 100-foot setback on just one of many types of retail uses that may be in a Retail/Service Establishment use and is not expected to have any impact on the distribution or frequency of the use in general.

The Planning Board appreciates the opportunity to review and provide comments on ZTA 25-07, and the Council's consideration of the Board's recommendations during its deliberations. Planning Staff are available to answer any questions or provide further guidance as the ZTA is considered by the Council.

CERTIFICATION

This is to certify that the attached report is a true and correct copy of the technical staff report and the foregoing is the recommendation adopted by the Montgomery County Planning Board of the Maryland-National Capital Park and Planning Commission, at its regular meeting held in Wheaton, Maryland, on Thursday, June 5, 2025.

Artie L. Harris

Chair

Attachments:

A – Planning Board Staff Report

Vilie Stamis

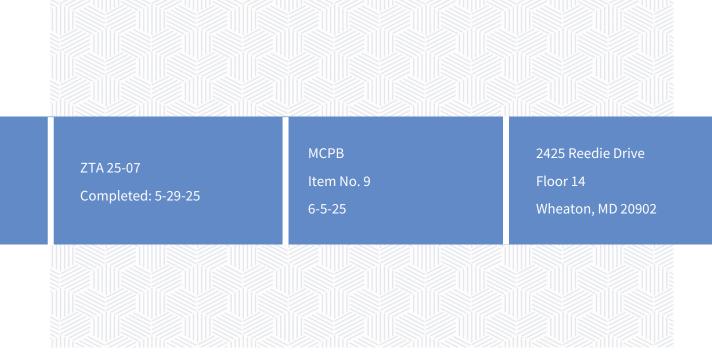
B – Climate Assessment

ZTA 25-07 RETAIL SALES AND SERVICE – CANNABIS DISPENSARY



Description

This ZTA would prohibit a licensed Cannabis Dispensary from being located within 100-feet of a lot containing a residential use.



BB	Benjamin Berbert, Planner III, Countywide Planning and Policy Benjamin.Berbert@montgomeryplanning.org , 301-495-4644
ymg	Lisa Govoni, Supervisor, Countywide Planning and Policy <u>Lisa.Govoni@montgomeryplanning.org</u> , 301-650-5624
DA	David Anspacher, Chief, Countywide Planning and Policy David.Anspacher@montgomeryplanning.org , 301-495-2191

ZTA SPONSORS

Co-Sponsors:

Councilmembers Albornoz, Katz, and Council President Stewart

INTRODUCTION DATE

May 13, 2025

COUNCIL PUBLIC HEARING DATE

June 17, 2025

REVIEW BASIS

Chapter 59

Summary

- The Maryland General Assembly passed Senate Bill 215 in 2025, which modified regulations on licensed cannabis dispensaries.
- Bill 215 allows local jurisdictions to establish setbacks for licensed dispensaries of up to 100 feet from residentially zoned land.
- ZTA 25-07 makes Retail/Service
 Establishment as a limited use in all zones where it was previously a permitted and implements a new standard requiring Retail/Service
 Establishments that includes a cannabis dispensary to be set back at least 100 feet from residentially zoned land.

TABLE OF CONTENTS

SECTION 1 – BACKGROUND	2
Rationale For Introduction	2
SECTION 2 – TEXT AS INTRODUCED	2
ZTA 25-07 As Introduced	2
SECTION 3 – CLIMATE ASSESSMENT	3
SECTION 4 – CONCLUSION	
SECTION 5 ATTACHMENTS	

SECTION 1 - BACKGROUND

Rationale For Introduction

Zoning Text Amendment (ZTA) 25-07, Retail Sales and Service – Cannabis Dispensary was introduced on May 13, 2025, by Councilmembers Albornoz, Katz, and Council President Stewart (Attachment A). The ZTA is scheduled for a District Council Public Hearing on June 17, 2025.

Planning Staff recommends that the Planning Board support the ZTA as introduced. This ZTA would require any licensed cannabis dispensaries to be set back at least 100 feet from a lot that is improved with a residential use at the time of application. The Maryland General Assembly passed SB 215 this year, which permits local jurisdictions to enact up to a 100-foot setback for cannabis dispensaries from areas zoned for or improved with a residential use.

While the intent of the ZTA is limited to establishing the 100-foot setback from lots with residential uses to a cannabis dispensary, the technical means to enable this change is cumbersome. In the Montgomery County Zoning Code, rather than identifying an exhaustive list of different types of retail stores, there is a single 'catch-all' use called Retail/Service Establishment. The only distinction the code makes is based on the size of the retail use, not the type of retailer. To add the new setbacks for cannabis dispensaries, the use Retail/Service Establishment has to become a limited use in every zone that permits retail, as permitted uses do not come with additional standards or requirements such as requiring additional setbacks.

SECTION 2 - TEXT AS INTRODUCED

ZTA 25-07 As Introduced

USE TABLE SECTION 3.1.6.

The first section of the ZTA updates the use table in Section 3.1.6. of the Zoning Code (page 4). In every zone where Retail/Service Establishment is currently a permitted "P" use, it would be replaced with a limited "L" use. It is the designation of a limited use that directs the reader to review the use standards for Retail/Service Establishment for further instruction.

RETAIL/SERVICE ESTABLISHMENT SECTION 3.5.11.

The next five pages of the ZTA, from lines 9 through 149, are various technical updates needed to enable Retail/Service Establishment as a limited use in all zones. The existing limited use standards for Retail/Service Establishment are broken down by zone and usually start with "where Retail/Service Establishment is allowed as a limited use, the following apply...." Because Retail/Service Establishment is now a limited use in all zones, this language becomes irrelevant, and more specific detail is required to separate the existing limited use standards from the new one for cannabis

dispensaries. Currently, the size of the Retail/Service Establishment is what dictates whether the use is a permitted or limited use. Therefore, specificity on establishment size is being explicitly added throughout the use section. Existing limited use standards for Retail/Service Establishment include:

- In the CRN zone establishments between 5,001 50,000 square feet, and in the CRT, GR, and NR establishments larger than 50,000 square feet that abut agricultural or residential property require a site plan.
- In the CRT, CR, GR, and NR zones, establishments larger than 50,000 square feet within ½ mile of a Metrorail station have special design, operations, and architectural requirements.
- In the EOF, LSC, IL, IM, and IH zones, the amount of retail permitted is limited in size and in the type of retail allowed to keep retail subservient to other employment uses.
- Any Retail/Service Establishment larger than 120,000 square feet, regardless of zone, has special design and operational requirements.

Lines 150 – 152 of the ZTA are where the new limited use standard requiring cannabis dispensaries be at least 100 feet from a lot line improved with a residential use is located. This standard applies to all retail sizes and all retail zones.

OVERLAY ZONES

The last section of the ZTA, from lines 154 – 172, contains technical amendments to the White Flint 2-Parklawn (WF-P) Overlay Zone, updating section references that point back to some of the existing limited use standards for retail.

SECTION 3 - CLIMATE ASSESSMENT

Bill 3-22, passed by the County Council on July 12, 2022, requires the Planning Board to prepare a climate assessment for each Zoning Text Amendment, Master Plan, and Master Plan Amendment, effective March 1, 2023. Each Climate Assessment must include the potential positive or negative effects a ZTA may have on climate change (including greenhouse gas emissions) and on community resilience and adaptive capacity. The climate impact assessment for ZTA 25-07 is attached in Attachment B.

Planning Staff anticipates no climate impacts associated with ZTA 25-07. The ZTA does not make any fundamental changes to development regulations that would have any impact on energy, emissions, transportation, land cover, or resource distribution.

SECTION 4 - CONCLUSION

Planning Staff recommends the Planning Board support ZTA 25-07 as introduced. The ZTA establishes a reasonable 100-foot setback for licensed cannabis dispensaries from residential uses, as allowed by State Code.

SECTION 5 - ATTACHMENTS

Attachment A: Zoning Text Amendment 25-07 Intro Packet

Attachment B: Climate Assessment 25-07

Attachment B

Montgomery Planning

CLIMATE ASSESSMENT FOR ZONING TEXT AMENDMENT (ZTA) 25-07, RETAIL SALES AND SERVICE – CANNABIS DISPENSARY

PURPOSE OF CLIMATE ASSESSMENTS

The purpose of the Climate Assessments is to evaluate the anticipated impact of Master Plans and Zoning Text Amendments (ZTAs) on the county's contribution to addressing climate change. These assessments will provide the County Council with a better understanding of the potential climate impacts and implications of proposed Master Plans and ZTAs, at the county level. The scope of the Climate Assessments is limited to addressing climate change, specifically the effect of land use recommendations in Master Plans and ZTAs on greenhouse gas (GHG) emissions and carbon sequestration, and how actions proposed by Master Plans and ZTAs could improve the county's adaptive capacity to climate change and increase community resilience.

While co-benefits such as health and cost savings may be discussed, the focus is on how proposed Master Plans and ZTAs may impact GHG emissions, community resilience and adaptive capacity, and the County's Climate Action Plan (CAP) actions.

SUMMARY

The Montgomery County Planning Board anticipates that the proposed changes to existing zoning regulations proposed in ZTA 25-07 will have no significant climate-related impacts to GHG emissions, carbon sequestration and drawdown, to community resiliency, or adaptive capacity. The ZTA is also not anticipated to have significant impacts on implementing the CPA actions. The ZTA does not have a direct impact on land uses in a way that would have meaningful impacts to variables such as construction, transportation, ground cover, or distribution of resources.

BACKGROUND AND PURPOSE OF ZTA 25-07

ZTA 25-07 was introduced on May 13, 2025. The purpose is to establish a 100-foot setback for a Retail/Service establishment that is a licensed cannabis dispensary from residentially zoned properties. This is allowed by the State through the passage of Senate Bill 215.

VARIABLES THAT COULD AFFECT THE ASSESSMENT

Climate related variables considered in assessing potential impacts include the various GHG reduction, sequestration, resilience, and adaptive capacity activities in the climate assessment checklists (Tables 1 and 8) contained in the *Climate Assessment Recommendations for Master Plans and Zoning Text Amendments in Montgomery County*.

CLIMATE-RELATED VARIABLES

 No Transportation, Building, Energy, or Land Cover and Management variables were identified as being significantly impacted.

COMMUNITY RESILIENCE-RELATED VARIABLES

• No Exposure or Sensitivity-Related Factors were identified as being significantly impacted.

ADAPTIVE CAPACITY-RELATED VARIABLES

• No Adaptive Capacity Factors were identified as being significantly impacted.

OTHER ADAPTIVE CAPACITY FACTORS

None

ANTICIPATED IMPACTS

GREENHOUSE GAS EMISSIONS, CARBON SEQUESTRATION, AND DRAWDOWN

Staff anticipates that the clarifications to existing zoning regulations provided by ZTA 25-07 will have no significant GHG, carbon sequestration, or drawdown impacts.

COMMUNITY RESILIENCE AND ADAPTIVE CAPACITY

Staff anticipates that the clarifications to existing zoning regulations provided by ZTA 25-07 will have no significant community resilience and adaptive capacity impacts.

RELATIONSHIP TO GREENHOUSE GAS EMISSION REDUCTION, CARBON SEQUESTRATION, AND OTHER RELEVANT ACTIONS CONTAINED IN THE MONTGOMERY COUNTY CLIMATE ACTION PLAN (CAP)

The CAP details the effects of a changing climate on Montgomery County and includes interagency strategies to reduce GHG emissions and climate-related risks to the county's residents, businesses, and the built and natural environment.

The CAP includes 86 climate actions as a pathway to meet the county's ambitious climate goals while building a healthy, equitable, and resilient community. Each county department has responsibilities for specific climate actions that are relevant to the work of that department.

CLIMATE ACTION PLAN (CAP) ACTIONS

 No Climate Adaptation, Building, Clean Energy, Carbon Sequestration, or Transportation CAP Actions were identified as being significantly impacted.

RECOMMENDED AMENDMENTS

The Climate Assessment Act requires the Planning Board to offer appropriate recommendations such as amendments to the proposed ZTA 25-06 or other mitigating measures that could help counter any negative impacts identified through this Climate Assessment. Planning Staff has no recommended amendments to ZTA 25-07 to counter any negative impacts of the ZTA.

SOURCES OF INFORMATION, ASSUMPTIONS, AND METHODOLOGIES

The climate assessment for ZTA 25-07 was prepared using the methodology for Master Plans contained within the *Climate Assessment Recommendations for Master Plans and Zoning Text Amendments in Montgomery County, December 1, 2022.*

Racial Equity and Social Justice (RESJ) Statement for Zoning Text Amendment

Office of Legislative Oversight

ZTA 25-07: RETAIL SALES AND SERVICE — CANNABIS DISPENSARY

SUMMARY

The Office of Legislative Oversight (OLO) anticipates ZTA 25-07, Retail Sales and Service - Cannabis Dispensary will have a minimal impact on racial equity and social justice (RESJ) in the County. While OLO cannot describe the race and ethnicity of the owners of new cannabis dispensaries or of the households located near them, OLO anticipates the burdens and benefits of the 100-foot setback between dispensaries and residences proposed under ZTA 25-07 will likely offset one another. As such, OLO anticipates that ZTA 25-07 will have a minimal impact on RESJ in the County.

PURPOSE OF RESJ STATEMENTS

RESJ impact statements (RESJIS) for zoning text amendments (ZTAs) evaluate the anticipated impact of ZTAs on racial equity and social justice in the County. RESJ is a **process** that focuses on centering the needs, leadership, and power of Black, Indigenous, and other people of color (BIPOC) and communities with low incomes with a **goal** of eliminating racial and social inequities. Applying a RESJ lens is essential to achieve RESJ.¹ This involves seeing, thinking, and working differently to address the racial and social inequities that cause racial and social disparities.²

PURPOSE OF ZTA 25-07

During the 2025 legislative session, the Maryland General Assembly passed Senate Bill 215, which amended the regulations for licensed cannabis dispensaries. SB 215 allows local jurisdictions to establish setbacks of up to 100 feet from properties with residential use for these dispensaries.³

The purpose of ZTA 25-07 is to implement the 100-foot setback requirement set by SB 215 and add it as a new provision to the Zoning Ordinance. Any Retail/Service Establishment that includes a cannabis dispensary must now be at least 100 feet away from residentially zoned land.⁴ More specifically, if enacted, ZTA 25-07 would create a new subsection to section 3.5.11.B.2 of the Zoning Ordinance as follows:

j. A cannabis dispensary licensed by the Maryland Cannabis Administration must be at least 100 feet from a lot that is improved with a residential use at the time of application.

Currently, cannabis dispensaries are permitted as limited uses (L) and permitted uses (P) under the Retail/Service Establishments category in the Commercial, Employment, and Industrial zones, as well as the R-10 zone (multi-unit residential zone), based on the size of the establishments rather than their specific uses. To accommodate the new setbacks for cannabis dispensaries, the Retail/Service Establishment use must be a limited use in every zone that permits retail establishments by right since permitted uses do not impose additional standards such as setbacks. Of note, cannabis dispensaries are prohibited in the Agriculture, Rural Residential, and Residential zones (except in the R-10 zone).

ZTA 25-07 was introduced on May 13, 2025.

RESJ Impact Statement

Zoning Text Amendment 25-07

ANTICIPATED RESJ IMPACTS

To consider the anticipated impact of ZTA 25-07 on racial equity and social justice, OLO considers two related questions:

- Who would primarily benefit or be burdened by this ZTA?
- What racial and social inequities could the passage of this ZTA weaken or strengthen?

To address these questions, OLO considered the impact of ZTA 25-07 on two sets of stakeholders.

- New dispensary owners. OLO anticipates the 100-foot setback requirement for cannabis dispensaries from residential communities could burden dispensary owners. The adoption of the ZTA could adversely impact owners of new dispensaries as it could restrict the location of dispensaries near or adjacent to residential uses, reducing the availability of potential sites that meet the setback requirement. Given the other requirements of opening a new business, however, OLO anticipates the potential burden of the 100-foot setback to dispensary owners would be minimal. Without data describing the demographics of new dispensary owners, OLO cannot discern how the burden of ZTA 25-07 on new dispensaries will impact racial disparities in entrepreneurship within the County.
- Households located near new dispensaries. OLO anticipates that households located near new dispensaries
 could benefit from the 100-foot setback requirement. Depending on the size of the dispensaries and their
 placement on the site, the 100-foot setback could offer enhanced safety and security and provide a reasonable
 buffer between local households and dispensaries. Without data describing the demographics of households
 located new dispensary owners, OLO cannot discern how the benefits of ZTA 25-07 on households located near
 new dispensaries will impact RESJ in the County.

Overall, OLO anticipates that burdens and benefits of ZTA 25-07 will likely offset one another. However, OLO cannot discern how the benefits and burdens of ZTA 25-07 will separately impact RESJ in the County with available data. Yet OLO anticipates that ZTA 25-07 will have a minimal impact on RESJ in the County regardless of the race and ethnicity of dispensary owners and nearby households because the burdens and benefits of this ZTA are likely to offset one another. As such, OLO anticipates that ZTA 25-07 will have a minimal impact on RESJ in the County.

RECOMMENDED AMENDMENTS

Bill 44-20 amending the County's Racial Equity and Social Justice Act requires OLO to consider whether recommended amendments to zoning text amendments aimed at narrowing racial and social inequities are warranted in developing RESJ impact statements. 5 OLO anticipates ZTA 25-07 will have a minimal impact on RESJ in the County, therefore, it does not offer recommended amendments.

CAVEATS

Two caveats to this racial equity and social justice impact statement should be noted. First, predicting the impact of zoning text amendments on racial equity and social justice is a challenging, analytical endeavor due to data limitations, uncertainty, and other factors. Second, this RESJ impact statement on the proposed zoning text amendment is intended to inform the Council's decision-making process rather than determine it. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the ZTA under consideration.

RESJ Impact Statement

Zoning Text Amendment 25-07

https://apps.montgomerycountymd.gov/ccllims/DownloadFilePage?FileName=2682_1_12149_Bill_44-20_Signed_20201211.pdf

¹ Definition of racial equity and social justice adopted from "Applying a Racial Equity Lens into Federal Nutrition Programs" by Marlysa Gamblin, et.al. Bread for the World, and from Racial Equity Tools https://www.racialequitytools.org/glossary
² Ibid.

³ 2025 Laws of Maryland. Chapter 120. Senate Bill 215. 2025 https://mgaleg.maryland.gov/2025RS/Chapters_noln/CH_120_sb0215t.pdf

⁴ Toward this end, ZTA 25-07 reclassifies Retail/Service Establishments as "Limited Use (L)" in all zones where they are currently "Permitted Use (P)"

⁵ Bill 44-20, Racial Equity and Social Justice – Impact Statements – Advisory Committee – Amendments, Montgomery County, Maryland, December 1, 2020.



OFFICE OF THE COUNTY ATTORNEY

Marc Elrich
County Executive

John P. Markovs County Attorney

MEMORANDUM

TO:

Kate Stewart, President

Montgomery County Council

FROM:

John P. Markovs

County Attorney

DATE:

July 22, 2025

RE:

ZTA 25-07, Retail Sales and Service - Cannabis Dispensary

I am responding to your July 18, 2025, request for an opinion regarding the legal sufficiency of proposed ZTA 25-07 under Md. Code Ann., Alcoholic Beverages and Cannabis (ABC) § 36-410, which would prohibit licensed cannabis dispensaries within 100 feet of a lot improved with a residential use.

ISSUE

Can the County enact ZTA 25-07, establishing a distance limitation for cannabis dispensaries, prohibiting licensed cannabis dispensaries within 100 feet of a lot improved with a residential use?

ANSWER

Yes, the County may enact the zoning ordinance.

While ABC § 36-410, subsection (e) prohibits a county from establishing zoning requirements for a cannabis dispensary that are more restrictive than zoning requirements for an alcoholic beverage retail dealer under the ABC Article, subsection (g) expressly authorizes a county to either (1) establish a distance limitation for cannabis dispensaries of up to 100 feet from a residentially zoned area or (2) to apply to cannabis dispensaries the distance limitation for alcoholic beverage retailers from residentially zoned areas. Enacted by the Maryland General Assembly at the same time, §§ 36-410(e) and (g) must be read together, in harmony, giving full force and effect to each subsection. When read in this fashion it is apparent that while the state legislature created a general rule prohibiting a county from establishing zoning requirements for a cannabis dispensary that are more restrictive than the zoning requirements it applies to an alcoholic beverage retail dealer under the ABC Article, it simultaneously carved out an exception regarding distance limitations between dispensaries and residentially zoned areas. Specifically,

counties have the option of either (1) establishing a distance limitation for cannabis dispensaries of up to 100 feet from a residentially zoned area or (2) applying to cannabis dispensaries the same distance limitation for alcoholic beverage retailers from residentially zoned areas.

ANALYSIS

The State Bills as Introduced

2023 Md. Laws chs. 254 and 255 established the adult-use cannabis industry in Maryland after voters approved a constitutional amendment in November 2022, legalizing recreational cannabis. As initially passed, the statutory framework prohibited a state-licensed cannabis dispensary from locating within 500 feet of certain sensitive locations, such as a school, playground, recreation center, library, or public park, or within 1,000 feet of another dispensary. § 36-410(b). The law gave counties limited authority to reduce these distances. § 36-410(c).

The General Assembly revisited these location requirements the following year and enacted 2024 Md. Laws ch. 244, which expanded and, in some cases, limited a county's authority to adopt local zoning restrictions on cannabis dispensaries. As initially introduced, HB 805¹ and SB 537² (2024) each added subsection (e) to § 36-410, prohibiting a county from establishing zoning requirements for a cannabis dispensary that are more restrictive than zoning requirements for an alcoholic beverage retail dealer under the ABC Article.

(e) 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.

Senate Bill 537

Although HB 805, not SB 537, was eventually signed into law, the Senate proceedings offer the clearest explanation for the addition of subsection (g).

The Senate adopted the favorable Senate Finance Committee Report, which recommended two amendments to SB 537.³ The Committee Chair, Sen. Pamela Beidle, then offered a third amendment on the Senate floor, adding a new subsection (g), authority for a local distance limitation.⁴ Specifically, subsection (g) authorized a county to either (1) establish a distance limitation for cannabis dispensaries of up to 100 feet from a residentially zoned area or (2) to apply to cannabis dispensaries the distance limitation for alcoholic beverage retailers from residentially zoned areas.

 $^{^{1}\ \}underline{https://mgaleg.maryland.gov/2024RS/bills/hb/hb0805f.pdf}$

 $^{^2 \}underline{\text{https://mgaleg.maryland.gov/} 2024RS/bills/sb/sb0537f.pdf}$

³ https://mgaleg.maryland.gov/2024RS/amds/bil_0007/SB0537_95342101.pdf

⁴ https://mgaleg.maryland.gov/2024RS/amds/bil 0007/SB0537 47302601.pdf

- (g) A political subdivision may:
 - (1) by ordinance, establish a distance limitation for dispensaries of up to 100 feet from an area zoned for residential use; or
 - (2) apply to dispensaries the distance limitation for licensed alcoholic beverage retailers from an area zoned for residential use.

Speaking in favor of the amendment, Sen. Beidle said:

There were a number of questions in committee about these dispensaries being so close to residential and in some counties there's already regulation in zoning that you can be some many feet from a residence and if that's true for alcohol liquor licenses then it would also be true for cannabis. But for the counties that didn't have any distance from residential that's what this amendment does. So it says [reads amendment]. It's important that it's a 'may' because in Baltimore City it's difficult to find a retail store that's 100 feet from a residence. So it'll be up to the City if they want to institute this or use their current liquor license regulations. So I move the amendment.⁵

The Senate adopted the third amendment without objection. After further amendment, the Senate passed SB 537, but it did not pass in the House of Delegates.

House Bill 805

The House of Delegates passed HB 805 and then referred it to the Senate. The Senate Finance Committee reported favorably on HB 805 with three amendments.⁶ One of those amendments was, once again, adding subsection (g) to the Bill. Speaking in favor of the Senate Finance Committee report and the three amendments, Sen. Beidle said:

HB 805, as amended, is similar to SB 537 as it passed the Senate. The bill makes various changes related to local zoning with respect to cannabis licenses by clarifying existing provisions and adding additional limitations regarding the location of licensed dispensaries. There are three amendments. They conform the bill to the Senate Bill and continue the authorization for growers to engage in outdoor cannabis cultivation, which existed before the legalized sale of adult use cannabis. I move the amendments and the adoption of the favorable committee report.⁷

⁵ https://mgaleg.maryland.gov/mgawebsite/FloorActions/Media/senate-49-A?year=2024RS (at 1:45)

 $^{^6\ \}underline{\text{https://mgaleg.maryland.gov/2024RS/amds/bil_0005/HB0805_72372101.pdf}$

⁷ https://mgaleg.maryland.gov/mgawebsite/FloorActions/Media/senate-61-?year=2024RS (at 1:09:24)

The Senate adopted the favorable Senate Finance Committee report (with its three amendments) and passed HB 805 on third reading. The House concurred in the Senate amendments and passed HB 805 on third reading. The Governor signed HB 805 into law. 2024 Md. Laws ch. 244.

Statutory Interpretation

The Appellate Court of Maryland recently reiterated the familiar principles of statutory construction.

The cardinal rule of statutory construction is to ascertain and effectuate the intent of the General Assembly. Our analysis begins with the plain language of the statute, and ordinary, popular understanding of the English language dictates interpretation of its terminology. We do so on the tacit theory that the General Assembly is presumed to have meant what it said and said what it meant. We must read the statute as a whole to ensure that no word, clause, sentence or phrase is rendered surplusage, superfluous, meaningless or nugatory. Our analysis is not limited to a specific statutory provision at issue; instead, the plain language must be viewed within the context of the statutory scheme to which it belongs, considering the purpose, aim or policy of the Legislature in enacting the statute.

If we conclude that the language is unambiguous and clearly consistent with the statute's apparent purpose, we usually stop there and our analysis ends. Even if the language is unambiguous, while not necessary in every instance, we often find it prudent to scrutinize the legislative history to confirm that our interpretation of the statute's plain language accords with the legislature's intent. The modern tendency is to continue the analysis of the statute beyond the plain meaning to examine extrinsic sources of legislative intent in order to check our reading of a statute's plain language through examining the context of a statute, the overall statutory scheme, and archival legislative history of relevant enactments.

If the language is ambiguous, we look to the statute's structure, relationship to other laws, general purpose, and legislative history. We seek to construe and reconcile related statutory provisions harmoniously, to the extent possible consistent with the statute's object and scope. In ascertaining legislative intent, we may consider the consequences resulting from one meaning rather than another and adopt that construction which avoids an illogical or unreasonable result, or one which is inconsistent with common sense. The real legislative intention prevails over the intention indicated by the literal meaning. Lastly, there is a canon of statutory construction that remedial statutes are liberally construed to suppress the evil and advance the remedy.

Sullivan v. Caruso Building Belle Oak, LLC, 251 Md. App. 304, 318 (2021) (cleaned up).

 $^{^8\} https://mgaleg.maryland.gov/mgawebsite/FloorActions/Media/house-64-?year=2024RS$ at 1:31:06).

As noted above, §§ 36-410(e) and (g) were enacted by the Maryland General Assembly as part of the same bill. They must, and can, be read together, in harmony, giving full force and effect to each subsection. When read in this fashion it is apparent that while the state legislature created a general rule prohibiting a county from establishing zoning requirements for a cannabis dispensary that are more restrictive than the zoning requirements it applies to an alcoholic beverage retail dealer under the ABC Article, it simultaneously carved out an exception regarding distance limitations (a subset of zoning requirements) between dispensaries and residentially zoned areas. Specifically, counties enjoy the option of either (1) establishing a distance limitation for cannabis dispensaries of up to 100 feet from a residentially zoned area or (2) applying to cannabis dispensaries the same distance limitation for alcoholic beverage retailers from residentially zoned areas. With this reading, neither subsection is rendered nugatory or superfluous.

When the language of a section of a statute is part of a larger statutory scheme, it is axiomatic that the language of a provision is not interpreted in isolation; rather, we analyze the statutory scheme as a whole considering the purpose, aim, or policy of the enacting body, and attempt to harmonize provisions dealing with the same subject so that each may be given effect. In addition to harmonizing the provisions within a single statutory scheme, where statutes relate to the same subject matter, and are not inconsistent with each other, they should be construed together and harmonized where consistent with their general object and scope.

Proctor v. Wash. Metro. Area Transit Auth., 412 Md. 691, 714-15 (2010) (internal citations and quotations omitted).

The Maryland Cannabis Administration (MCA) also reads subsections (e) and (g) in this way. After the General Assembly passed HB 805, the MCA issued a "Zoning Update" on its website identifying zoning restrictions that counties may or may not enact. The Zoning Update notes the general rule (subsection (e)) that "Local jurisdictions may not . . . Adopt an ordinance establishing zoning or operational requirements for a licensed dispensary that are more restrictive than the requirements for licensed alcoholic beverage retailers in their jurisdiction" But the Zoning Update also notes the limited exception in subsection (g) for distance requirements from residentially zoned areas:

Local jurisdictions may . . .

- Pass an ordinance to establish a 100 feet distance requirement between dispensaries and areas zoned for residential use only.
 - Local jurisdictions may also apply distance limitations used for licensed alcoholic beverage retailers from an area zoned exclusively for residential use.

9

CONCLUSION

Proposed ZTA 25-07 would establish a distance limitation for MCA-licensed cannabis dispensaries, prohibiting licensed cannabis dispensaries within 100 feet of a lot with a residential use. This is expressly permitted under ABC § 36-410(g)(1). However, the distance requirement must not apply to a dispensary that was in operation before April 1, 2024. ABC § 36-410(h), which was added to § 36-410 as part of the same enactment that added subsections (e) and (g), states that a county "shall grant a waiver to an ordinance that provides a distance requirement for dispensaries under this section for a licensed dispensary that was in operation before April 1, 2024."

Please let me know if the Council has any questions,

jpm

cc: Craig Howard, Executive Director
Christine M.H. Wellons, Chief Legislative Attorney
Livhu Ndou, Senior Legislative Attorney
Edward Lattner, Deputy County Attorney
Corey Talcott, Chief, OCA Division of Zoning, Land Use & Economic Development
Elana M. Robison, Assistant County Attorney

25-012196