

MINORITY PARTICIPATION REPORT 2024

Maryland Cannabis Administration

December 2024

2024 Minority Participation Report



INTRODUCTION

Pursuant to Section 36-801, Alcoholic Beverages and Cannabis Article, Annotated Code of Maryland, the Maryland Cannabis Administration ("Administration" or "MCA") is required to collect information from each cannabis licensee or registrant and then submit a report to the Governor and General Assembly on:

- (1) *The number of minority and women owners of the cannabis licensee or cannabis registrant;*
- (2) *The ownership interest of any minority and women owners of the cannabis licensee or cannabis registrant; and*
- (3) *The number of minority and women employees of the cannabis licensee or cannabis registrant.*

As discussed in the MCA's prior submission under [Section 36-801](#), prior to the start of adult-use sales on July 1, 2023, a significant number of the licenses operating at the time changed ownership. These changes of ownership are now reported in this report but reflect a decrease in the number of

women or minority-owned firms of the current operators.

However, the Cannabis Reform Act (CRA) additionally authorized the MCA to conduct a licensing round exclusive to social equity applicants. Uncodified language in the CRA provided additional pathways to licensure for operators who were awarded pursuant to HB 2 of 2018 (HB2 Licensees or "HB 2") and class members of *Pigford v. Glickman*, or *In Re Black Farmers Litig.*, (*Pigford*). The specifics of HB 2 will be discussed in greater length in **Section 1** below. Through these licensing opportunities, the MCA has selected or awarded applications for 211 new minority owned cannabis licenses in the State.

On March 14 and June 28, 2024, the MCA conducted lotteries for the social equity licensing round. A total of 205 applicants were selected across the micro and standard grower, processor, and dispensary categories. These

drawings collectively represent the maximum number of licenses the MCA was authorized to award for the first round under 36-404(d) of the Alcoholic Beverages and Cannabis Article. Data from selected applicants in the most recent social equity licensing round indicate that new social equity applicants significantly increase minority and women ownership in the State's cannabis industry moving forward.

Section 1 examines the majority and non-majority ownership/controlling and non-controlling interests of current licensees, preapproved cannabis business licensees (including HB2 and Pigford awardees), and selected applicants from the social equity licensing round. The total count of minority and women ownership for each category is summarized by the final table in each subsection. **Section 2** depicts the employees by census categories of current licensees. Below are the **Key Findings** of the report.

Key Findings

Minority and Women Ownership: Women own 65.2% of current licenses, and minorities own 31% of current licenses, with African Americans representing 15.4% of this total. The social equity licensing round of 2024 will increase minority ownership further, with 85% of selected applicants being self-reported majority-minority- or women-owned, and over 50% self-reported as Black or African-American owned firms.

Ownership by Category: For current operational businesses, the majority of licenses are owned by white males (68.75%), while women and minorities hold 23.44% and 11.72% respectively.

Non-majority ownership is primarily women (71.36%) and minorities (33.79%).

Employees: Minorities account for 68% of the workforce in cannabis businesses, with African Americans comprising 21.59%. There is an anticipated increase in these numbers as social equity applicants become operational.

The report concludes that the State's recent efforts of the social equity licensing process are likely to further improve the representation of minorities and women in Maryland's cannabis industry, both in ownership and employment.

2024 Minority Participation Report

Section 1: Total Minority and Women Owners

This section represents the self-reported total number of minority and women owners of operational cannabis businesses for the calendar year 2024. The data is organized following the updated U.S. Census collection standards which allows for a more accurate reflection of the racial and ethnic diversity of the cannabis industry in Maryland. The following tables do not include awards given to licensees as outlined in HB 2, which sought to remedy the lack of diversity within the growing medical cannabis business ownership.

Current Licensees

Tables 1.1 and 1.2 detail the majority and non-majority owners of medical cannabis businesses that converted to adult-use in 2023. The CRA allowed medical cannabis businesses to convert their business to medical and adult-use or sell their license prior to July 1, 2023. This requirement led to a significant number of transfers of ownership and a reduction in the number of minority and women-owned firms prior to the introduction of adult-use in 2023. Table 1.3 represents the total number of women and minority owners of operational licenses.

Table 1.1 Self-Reported Majority Owners, Currently Operating

Majority Owner(s)	Total Number	Total Percent
White Male Owners	47	59.5%
Black or African American Owners	9	11.4%
White Female Owners	10	12.7%
Unknown/Unclear/Not Reported	9	11.4%
Other Minority Owners	4	5%
Total	79	100%
All Female Owners**	14	17.7%
Minority Owners**	36	45.6%

Source: Maryland Cannabis Administration

*Note: The figures in this table may not sum due to rounding.
 **All female owners and minority owners are excluded from the total count to avoid duplicating counts.

Table 1.2. Self-Reported Non-Majority Owners, Currently Operating

Non-Majority Owner(s)	Total Number	Total Percent
White Male Owners	47	5.38%
Black or African American Owners	147	16.85%
White Female Owners	531	60.82%
Unknown/Unclear/Not Reported	1	.1%
Other Minority Owners	147	16.85%
Total	873	100%
All Female Owners**	623	71.36%
Minority Owners**	294	33.7%

Source: Maryland Cannabis Administration

*Note: The figures in this table may not sum due to rounding.
 **All female owners and minority owners are excluded from the total count to avoid duplicating counts.

Table 1.3. Self-Reported Total Count of Women and Minority Owners, Currently Operating

Total Owner(s)	Total Number	Percent
White Male Owners	94	9.9%
Black or African American Owners	156	16.3%
White Females Owners	541	56.8%
Unknown/Unclear/Not Reported	10	1.1%
Other Minority Owners	151	15.9%
Total	952	100%
All Female Owners**	637	66.9%
Minority Owners**	330	34.7%

Source: Maryland Cannabis Administration

*Note: The figures in this table may not sum due to rounding.
 **All female owners and minority owners are excluded from the total count to avoid duplicating counts.

2024 Minority Participation Report

Of note, while only 9.9% of total ownership belongs to White Males, 50% of that total are majority owners who own 50% or more of the company. This is in contrast to the total ownership belonging to Black or African Americans (16.3%), where only 5.7% of that total are majority owners. This data reflects that while the number of minority and women owners has increased overall, nearly 60% of majority owners are White Males.

House Bill 2 Awardees and Pigford Grower License Awardee

Following the initial licensing round in 2016, the General Assembly noted the lack of diversity in the State’s cannabis program. Since then, the General Assembly has worked to increase licensing opportunities for women and minority owned firms. One such effect, in 2018, House Bill 2 added 7 new grower licenses, and 12 new processor licenses addressing minority and women ownership in cannabis businesses. Additionally, under the CRA, uncodified language in Sec. 15 of the Act , grower licenses from the HB2 round awarded dispensaries.

The CRA also directed the MCA to issue up to five grower licenses for Black Farmers recognized as class members of *Pigford v. Glickman*, or in *Re Black Farmers Litig.*, (*Pigford*). *Pigford v. Glickman* addressed Black farmers who the USDA discriminated against in farm loans and who have not been fully compensated for the discrimination they have endured and that they have experienced ongoing discrimination or the continued effects of past discrimination. One qualifying awardee was issued a Pigford grower’s license in this licensing round. Both of these licensing efforts by the General Assembly explicitly sought to award licenses to women or minority owned firms, under HB2, or to individuals who previously faced explicit discrimination by the USDA, under *Pigford*.

Table 1.4 represents the total count of women and minority owners of HB2 and Pigford licenses. HB2 Awardees primarily self-reported majority ownership by women and/or minority owners. **Table 1.5** represents the majority owners awarded grower licenses under HB2, Pigford Class licensure, and HB2s awarded dispensary licenses.

Table 1.4. Total Count of Women and Minority Owners of Pre-Operational and Operational House Bill 2 Awardees & Pigford Grower License

House Bill 2 Awardees & Pigford Awardee			
	Pre-Operational	Operational	Total
Growers¹	4	1	5
Dispensaries²	4	N/A	4
Processors	5	5	10

Source: Maryland Cannabis Administration

Table 1.5. Self-Reported House Bill 2 Awardees Majority Owners*

House Bill 2 Awardees & Pigford Awardee				
	Majority Black Owners	Majority Other Minority Owners	Total	Majority Women Owners
Growers¹	4	1	5	3
Processors	8	2	10	6

Source: Maryland Cannabis Administration

Selected Applicants

Maryland’s social equity licensing round featured multiple phases including an application submission from November 13, 2023, to December 12, 2023, a review of submissions, and lotteries conducted on March 14 and June 28th, 2024. Following this, a total of 205 applicants were selected across the micro and standard grower, processor, and dispensary categories. These collectively represent the maximum number of licenses the MCA was authorized to award for the first round under 36-404(d) of the Alcoholic Beverages and Cannabis Article. This licensing round was the nation’s first licensing round entirely and exclusively held for social equity applicants. Social equity applicants, as defined in 36-101(ff) of the Alcohol and Cannabis Article, had to demonstrate that they lived in, or went to public school in, areas that were harmed by cannabis prohibition.

¹ Section 11 of the Cannabis Reform Act awarded grower licenses to members of *Pigford v. Glickman*, 185 F.R.D. 82, or *In Re Black Farmers Litig.*

² Section 15 of the Cannabis Reform Act provided an opportunity for HB2 growers to additionally be awarded a dispensary license. All eligible HB2 applicants have received a dispensary award.

2024 Minority Participation Report

Tables 1.6 and 1.7 depict the majority and non-majority owners of applicants selected in the 2024 social equity licensure round. Table 1.8 summarizes these two tables into a total count of applicants selected in the 2024 social equity licensure round.

Table 1.6. Self-Reported Selected Applicants Majority Owners*

Race	Gender	Count	Percent
Black or African American	Female	42	20.5%
Black or African American	Male	68	33.2%
White	Female	18	8.8%
White	Male	31	15.1%
Two or More Races	Female	3	1.5%
Two or More Races	Male	7	3.4%
Hispanic or Latino	Female	3	1.5%
Hispanic or Latino	Male	5	2.4%
Asian	Female	9	4.4%
Asian	Male	18	8.8%
American Indian or Alaska Native	Female	0	0.0%
American Indian or Alaska Native	Male	1	0.5%
Total		205	100.00%

Source: Maryland Cannabis Administration

*Note: The figures in this table may not sum due to rounding.

Table 1.7. Self-Reported Selected Applicants Non-Majority Owners*

Race	Gender	Count	Percent
Black or African American	Female	7	12.07%
Black or African American	Male	10	17.24%
White	Female	3	5.17%
White	Male	17	29.31%
Two or More Races	Female	0	0.00%
Two or More Races	Male	0	0.00%
Hispanic or Latino	Female	2	3.45%
Hispanic or Latino	Male	1	1.72%
Asian	Female	1	1.72%
Asian	Male	11	18.97%
American Indian or Alaska Native	Female	0	0.00%
American Indian or Alaska Native	Male	0	0.00%
Unidentified	Unidentified	7	12.07%
Total		59	100.00%

Source: Maryland Cannabis Administration

*Note: The figures in this table may not sum due to rounding.

Of the applicants selected in the most recent social equity licensing round, 86.5% self-reported entity ownership by women or minorities. The majority of applicants were Black or African American men, followed by Black or African American women. This data further suggests that the social equity licensing round had a net positive effect on increasing the number of minority and women cannabis business owners.

Section 2: Employees

Table 2.1 depicts employee data of operational cannabis businesses in Maryland. Data self-reported by operational licensees indicate minorities or women account for 68% of the workforce in operational cannabis businesses in Maryland. As part of their initial application, social equity applicants were required to produce a diversity plan with a demonstrated intent of increasing diversity in ownership and employment in cannabis licenses in Maryland. Therefore, the MCA would expect the number of women and minority employees to increase with the addition of new social equity licenses in the current market.

Furthermore, through the Office of Resource, Enterprise, and Diversity Investment (REDI), the MCA established the Workforce Development Program to create pathways to sustainable jobs in the cannabis industry, particularly for applicants with a history of cannabis related justice system involvement.

The program provides a cumulative 100 hours of virtual and in-person training for retail, processing, and cultivation careers across Maryland's fast-growing cannabis industry. Completely free to participants, the program serves to reduce barriers to employment and encourage mobility for Maryland's most hard-to-serve jobseekers.

After completing the virtual courses, participants have the opportunity to enroll in a two-day in-person course providing 16 hours of hands-on occupational training. As of December 16, 2024, there have been two trainings in the Central and Southern regions of Maryland (Baltimore and Anne Arundel Counties) which included modules on processing, cultivation, and front/back of house training for dispensaries.

As of December 16, 2024, 389 participants have completed the Virtual Academy in full. All 389 have received invitations to a two-day in-person Workforce Development Training. Of those, 142 have already attended the training. Of the 142 Participants who have completed both the Workforce Development Virtual Academy and the in-person training, 92 have shared information about their demographics. Demographic breakdown for the program participants are shown in **Table 2.2**, on the next page.

Table 2.1. Employees of Current Licensees*

Employees of Current Licensees	Male	Female	Non-Binary	Total Number	Total Percent
Alaskan Native or Native American Employees	17	11	1	29	0.53%
Asian or South Asian Employees	51	31	3	85	1.55%
Black or African American Employees	701	467	13	1181	21.59%
Middle Eastern or North African Employees	10	6	0	16	0.29%
Pacific Islander or Native Hawaiian Employees	3	7	0	10	0.18%
Hispanic, Non-White Employees	176	162	4	342	6.25%
Hispanic, White Employees	82	65	2	149	2.72%
White Employees	1788	1445	35	3268	59.74%
Employees of Two or More Races	145	102	5	252	4.61%
Employees of Unknown or Unreported Race/Ethnicity	67	56	15	138	2.52%
Total	3040	2352	78	5470	100.00%

Source: Maryland Cannabis Administration

2024 Minority Participation Report

Table 2.2. Workforce Development Program Participants, Race and Ethnicity

Program Participants	Total Number	Total Percent
Alaskan Native or Native American Employees	1	1.06%
Black or African American	53	56.38%
Hispanic or Latino	3	3.19%
White Employees	25	26.6%
Employees of Two or More Races	8	7.44%
Chose not to identify	2	2.13%

Source: Maryland Cannabis Administration, data as of December 16, 2024.

Job placement services are also offered through the program. Of the 142 students who have been trained, 43% have requested job placement services. In-person training will continue to be provided monthly at locations across the state including the Western and Eastern Regions.

In tandem with licensee diversity plans, the MCA's Workforce Development Program will continue to engage minority and disenfranchised populations with Maryland's budding cannabis industry to bolster an equitable labor market that reflects the rich diversity of the state.

Conclusion

This report was prepared by the MCA and is intended to provide an overview of minority and women's participation in the state's cannabis industry as required by statute. Noting the limitation of self-reported data, the report summarizes data on ownership and employment for the year 2024. The data suggests that the implementation of social equity licensing will likely increase further minority and women involvement in the Maryland cannabis industry as businesses selected in the lottery become operational.

Maryland is the first state in the nation to open a cannabis licensing round exclusively for qualifying social equity applicants in all license types. With federal rescheduling on the horizon, the cultivation of a uniquely diverse cannabis industry will set Maryland apart from the rest of the country and prepare the state for a competitive interstate market.

The MCA's unwavering commitment to building a robust, representative cannabis industry that reflects the diversity of the state and bolsters communities disenfranchised by the war on drugs underscores the state's social equity goals and will ultimately result in stronger, more inclusive, and equitable cannabis policy.