



Spring Webinar: Cannabis Advertising in Maryland

Annie Carver, J.D.

Mathew Swinburne, J.D.

George Townsend, J.D.

Legal Resource Center-Cannabis

March 20, 2025

Ground Rules for Webinar

- Please mute your microphone.
- Questions will be taken at the end.
- Please place your questions in the chat.



Objectives

After participating in this webinar, participants will be able to:

1. Comprehend the potential public health impacts of cannabis advertisements;
2. Understand cannabis advertising regulations in Maryland and how they compare with other states that have legalized cannabis use; and
3. Explain proposed bills regarding cannabis advertising being considered by the Maryland General Assembly.



Public Health Impacts of Cannabis Advertising

Public Health Impacts

- Generally, [exposure to cannabis](#) advertising is associated with current cannabis use, positive attitudes about cannabis, lower cannabis harm perceptions, and greater interest in obtaining cannabis.
- Advertisements help normalize cannabis as a product.
- How it's marketed also has an impact:
 - Retailers promote cannabis products as a product that enhances focus, helps relaxation, and reduces stress.
 - People may think it is a health product and overall beneficial to use.

Impact on Children

- Children exposed to cannabis advertising are significantly more likely to use cannabis and have positive perceptions of the drug.
 - Children frequently exposed to cannabis billboard advertising were seven times more likely to use cannabis and nearly six times as likely to have symptoms of cannabis use disorder.
- Increased cannabis use during adolescence is linked to negative social outcomes, such as academic unpreparedness and poor academic performance, increased delinquency, and poor health outcomes, such as poor mental health, impaired cognitive development, development of psychosis, anxiety, depression, and impaired cardiovascular health and heightened risk of cardiac arrest.

College-Age Students

- Even intermittent cannabis use during college can impact [long-term mental health outcomes](#).
 - In this study, those who increased cannabis use in their early twenties were more likely to fare worse on physical and mental health outcomes.
- Cannabis use can adversely affect [college academic outcomes](#).
 - Cannabis use can affect attendance, thereby affecting GPA and graduation time.

Youth-Appealing Advertisements

- Several [advertising features](#) are significantly associated with increasing youth interest in cannabis use and attitudes toward the product, including:
 - Illustrations
 - Food or flavor references
 - Psychoactive effects
 - References to heavy consumption
 - Clear product descriptions
 - Depictions of positive sensations or adventure

Exacerbating Disparities

- Cannabis advertising could also exacerbate [disparities](#) in use and health outcomes related to cannabis.
- One study shows that:
 - Retailers in predominantly white neighborhoods had lower odds of youth-oriented signage and higher odds of pregnancy warnings.
 - Neighborhoods with a higher median household income had higher odds of health claims and lower odds of exterior ads.
 - Neighborhoods with a higher percent of people under 21 had lower odds of youth-oriented signage and lower odds of health-risk warnings.



Cannabis Advertising Rules in Maryland

Cannabis Advertising Restrictions

- What is an "[advertisement](#)"?
 - Publication, dissemination, or circulation of "any auditory, visual, digital, or written matter, which is directly or indirectly calculated to induce the sale of cannabis or any cannabis-related product or service."
 - Does not include packaging or labeling.
- Types of advertising restrictions:
 - **Content restrictions:** limit the specific claims, images, and information that cannabis advertisements may use to promote sales.
 - **Media restrictions:** regulate the specific media and locations that can be used to disseminate advertisements.



Cannabis Advertisement Content Restrictions

Health Claims

- A [cannabis advertisement](#) may only include a claim about medical or therapeutic benefits if:
 - The claim is supported by competent and reliable scientific evidence, and
 - The ad also includes information on the most serious and common side effects of cannabis use.
- "Competent and reliable scientific evidence" requires that the advertising business have two or more blinded, well-controlled clinical trials supporting the health claims.
 - [MCA Advertising Restrictions Guidance Document](#)

Prohibited Content

- Cannabis ads [may not contain](#):
 - Material that targets or is attractive to minors, including but not limited to cartoon characters and mascots.
 - Depictions of cannabis use, including smoking, vaping, or eating edibles.
 - Material that encourages or promotes use of cannabis as an intoxicant.
 - Obscenity.



Cannabis Advertisement Media Restrictions

Audience Composition

- Applies to advertisement via: television, radio, internet, mobile application, social media, other electronic communication, event sponsorship, or print publication.
- At least 85% of the audience must be reasonably expected to be at least 21 years old.
- Many U.S. states have a similar requirement, although the specific audience composition ranges anywhere from 70% to 90%, depending on the state.
 - Several states require 71.6%, corresponding to the percentage of the American population over 21 as of the 2010 census.

Audience Composition (continued)

- Advertisement audience expectations must be supported by "reliable and current [audience composition data](#)."
- [MCA guidance](#) states that, in the context of event sponsorships, such data could include:
 - Ticket sales;
 - Attendee surveys; or
 - Event age restrictions.
- For other advertising types, the MCA has developed a [submission form](#) for advertisers to submit audience data for Administration approval.
- [MCA regulations](#) proposed December 2024 clarify that the burden is on the cannabis business to obtain data demonstrating compliance.

Websites & Social Media

- Cannabis websites must feature an "[age-gate](#)," a mechanism which limits access to those who are 21 or over.
 - If a website is appropriate for certified medical patients under 21, the website may have an alternate screening method to verify medical patient qualification.
 - Per [MCA guidance](#), an age-gate must require entry of the user's birthdate; merely clicking "yes" or "no" to indicate whether one is at least 21 is not sufficient.
- Social media advertisements must include a notification that the user must be at least 21 years old to view the content.

Outdoor Advertising

- All advertising "on the side of a building or another publicly visible location" [is prohibited](#). This includes:
 - Billboards
 - Signs
 - Posters
 - Placards
 - Graphic displays
 - Signboards
- There is a limited exception for signs on the exterior of cannabis businesses for the sole purpose of identifying the business to the public.

Reporting Advertising Violations

- Unlawful cannabis advertising practices may be reported to the MCA through a [submission form](#) on their website.
- [Cannabis businesses](#) are responsible for the content of their advertisements, even if they rely upon a third-party advertising agency to produce or place their ads.
- A first offense of the advertising restrictions can result in a fine of [\\$1,000](#).
- Subsequent offenses are subject to increasing fines, up to a maximum of \$50,000 per violation for the worst repeat offenders.

Hemp and Advertising

- Cannabis advertising rules do not apply to hemp and hemp derived products, including intoxicating hemp products like delta-8 THC and delta-10 THC.
 - Hemp and hemp-derived products are not legally considered "cannabis."
 - Confounds the impact of advertising rules in the state.
- General [state advertising rules](#) apply to hemp businesses:
 - Prohibition on false or misleading statements.
 - Representation that consumer goods have a characteristic, ingredient, use, or benefit which they do not have.
 - Consumer goods are of a particular standard or quality which they are not.

FDA, FTC Warning Letters to Hemp Businesses

- In 2023 and 2024, the Food and Drug Administration (FDA) and the Federal Trade Commission (FTC) sent [warning letters](#) to hemp businesses for illegally selling “copycat food products” containing delta-8 THC.
 - Retailers use “copycat” food products to advertise and promote their product.
- FDA Principal Deputy Commissioner, Namandjé Bumpus, PhD: “Inadequate or confusing labeling can result in children or unsuspecting adults consuming products with strong resemblance to popular snacks and candies that contain delta-8 THC without realizing it.”
 - Easy to purchase
 - Available to youth
 - Put health of youth at risk



Proposed Advertising Bills - 2025 Legislative Session

HB 1377: Cannabis – Advertising – Prohibited Locations (Equity in Cannabis Advertising Act)

- Current state standard: No cannabis outdoor advertising allowed.
- Allows outdoor cannabis advertising if the advertisement is not within 500 feet of:
 - A substance use treatment facility
 - A primary or secondary school
 - A licensed childcare facility or a registered family childcare home
 - A playground, recreational center, library, or public park

HB 1377, cont.

- Prohibits advertisements that include:
 - Resembles to the trademarked, characteristic, or product-specialized packaging of any commercially available candy, snack, baked good, or beverage.
 - Images of food, candy, baked goods, cereal, fruit or beverage.
 - Images that are popularly used to advertise to children, including cartoons, animals, neon colors, mascots, etc.
- HB 1377 was promoted with the rationale that lifting the outdoor advertising ban would help social equity businesses promote their brand and compete with established cannabis businesses.

Outdoor Advertising

- **STATUS: FAILED**
 - Failed to advance through the House Economic Matters Committee by Crossover Date, March 17th.
- A similar bill, [HB 880](#), was withdrawn by its sponsor. The bill provided no restrictions on outdoor cannabis advertising.
- A similar bill, [SB 399](#), was introduced during the 2024 legislative session and received an unfavorable vote in the Senate Finance Committee.
- What is the future of outdoor advertising in the state?

HB 12/SB 214: Cannabis – Sale and Distribution – Tetrahydrocannabinol Offenses

- Overall, this bill strengthens the enforcement authority of the Alcohol, Tobacco, and Cannabis Commission over THC (tetrahydrocannabinol) products sold by non-licensees.
 - THC products include delta-8 THC, delta-10 THC, THCA, etc. that are above a potency limit of 0.5 mg of THC per serving/2.5 mg of THC per package.
- Remember: hemp and hemp derived products are not subject to cannabis advertising rules.

THC Advertising

- Provides that a person may not sell or distribute a product that is advertised as containing an amount of THC that is above the 0.5/2.5 mg potency limit.
 - Advertising includes packaging, labeling, or electronic communication.
- The Executive Director of the ATCC may seize, destroy, or confiscate a product that violates this advertising prohibition, making it easier to get these products out of shops.
 - Currently, the ATCC must go through a lengthy testing process before seizing, destroying, or confiscating a product.
- **Status: PASSED!**

1st Annual Maryland Cannabis & Public Health Conference

- May 14, 2024; 9:00 a.m. - 4:00 p.m.
- University of Maryland Baltimore Carey School of Law
- *Responding to the Present & Preparing for the Future*
- Register by May 7! Flyer and registration:
<https://files.constantcontact.com/a3ba91f1401/62074865-13c7-4c1f-80b4-836d98093221.pdf>

Questions?

Annie Carver, J.D.
Staff Attorney, LRC-Cannabis
a.carver@law.umaryland.edu
(410) 706-4221

Mathew Swinburne, J.D.
Director, LRC-Cannabis
mswinburne@law.umaryland.edu
(410) 706-4532

George Townsend, J.D.
Staff Attorney, LRC-Cannabis
gtownsend@law.umaryland.edu
(410) 706-8189