



PROPOSED AGENDA
WORKSHOP MEETING OF THE CHARLOTTE CITY COUNCIL
111 E. Lawrence Ave, Charlotte, MI 48813 (517) 543-2750
7:00 P.M. Thursday, October 13, 2022

Interested persons can participate in-person or via Zoom
Connect to Zoom from your computer, tablet, or smartphone
Website: <https://us02web.zoom.us/j/85373708752>
One tap mobile: +16465588656,,85373708752#
Telephone: (312) 626-6799 Webinar ID: 853 7370 8752

- 1. Call to Order**
- 2. Roll Call**
- 3. Pledge of Allegiance**
- 4. Absence of Council Members**
- 5. Public Comment** - Limit presentation to five (5) minutes
- 6. Approval of Agenda**
- 7. Discussion Item**
 - a. Discussion on commercial marihuana licensing
- 8. Public Comment**
- 9. Mayor and Council Comments**
- 10. Adjourn**

~Mary LaRocque, City Clerk

ADDRESSING THE CITY COUNCIL

*Comments shall be made only during times set aside for that purpose.
Each citizen may speak for up to 5 minutes during each public hearing and comments period.
Comments made during public hearings shall be relevant to the subject of the public hearing.
Comments shall be made from the podium unless otherwise directed by the Mayor.
Comments shall be directed to the Mayor and Council members.
Speakers shall begin by stating their name and indicate if they are a resident or non-resident of the City.
Speakers shall refrain from using vulgarity, hate speech or "fighting words."*



Memo

Date: August 6, 2021
To: Honorable Mayor Armitage; City Council
From: Erin LaPere, City Manager
Re: Commercial Marihuana Activities

The 2008 Michigan Medical Marihuana Act required communities to opt-in to permit commercial medical marihuana activities such as larger grow operations and provisioning centers. The City did not opt-in to allow commercial medical marihuana activities. The 2018 Michigan Regulation and Taxation of Marihuana Act expanded the allowable uses to include recreational/adult-use of marihuana and provided for commercial growing and retail of products. However, unlike the 2008 act, municipalities were required to take action to opt-out of permitting such commercial uses. The City Council did take action to opt-out and the city does not permit any commercial marihuana growing or retail operations for adult-use. These are separate from the provisions in the 2008 Act which allow, by-right, the growing of medical marihuana under the caregiver model. Council may recall the city recently took action to add regulations regarding that allowable use.

In 2021, discussion began on whether to amend the City Ordinance to allow for commercial marihuana activities, both medical and recreational/adult-use. In consideration of the procedural deadlines, it was noted that any proposed amendments could not be finalized during the remaining term of the Council at that time. Therefore, the decision was made to postpone discussion for the next Council to consider.

Included for Council's review are the materials provided last year and the meeting minutes summarizing the discussion held at that time. The memo dated July 9, 2021 outlines the issue broadly and summarizes discussion held at the time the City decided to opt-out of recreational marihuana. The memo dated August 6, 2021 summarizes administration's findings from other communities who permit commercial marihuana facilities. The memo dated September 10, 2021 outlines the recommendations from administration should Council wish to permit grow operations.

The information provided to Council in July 2021 from the Michigan Marihuana Regulatory Agency was also included as that provides answers to frequently asked questions, summaries of the statutory language, and sales data from retail operations in 2021. I have also included some sample ordinances and complete text of the state statutes. In 2021, the consensus was to not include retail licenses for

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dispensaries or medical provisioning centers as a permitted use and strictly permit grow operations as an industrial use. However, the current Council may be interested in pursuing other options, and Administration is prepared to discuss those alternatives.

eel

attachment

**CITY OF CHARLOTTE
COUNCIL PROCEEDINGS**

**Workshop Meeting
July 13, 2021**

CALL TO ORDER:

By Mayor Armitage on Tuesday, July 13, 2021 at 7:04 p.m

PRESENT:

Councilmembers: McRae, Baker, Weissenborn, Hoogstra, Dyer & Mayor Armitage. Staff: Manager LaPere, Deputy City Clerk Densmore, Community Development Director Myrkle

APPROVAL OF AGENDA:

Motion by McRae, second by Weissenborn to approve the agenda as published. Carried. 6 Yes. 0 No. 1 Absent.

EXCUSE ABSENT MEMBERS:

Councilmembers: VanStee

PUBLIC COMMENT:

None.

DISCUSSION ITEM:

a. Social Districts

Myrkle provided an overview of the statute, requirements of the city to enact a Social District, and participation by the businesses. Council discussed the various opportunities and practicality of setting up a social district within downtown. Chief Brentar addressed questions about the limitations due to Cochran and Lawrence being part of the state highway system. CharlotteRising Director Lisa Barnas provided information about experiences in other mainstreet communities.

Council decided to postpone further discussion on this topic as they do not see a huge demand for the social district given the current opportunities for businesses to have outdoor seating and dining.

b. Marijuana Regulations

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LaPere provided an overview on the statutory regulations, types of commercial activities that could be permitted, licensing program implementation, and concerns of administration for regulation. Council discussed various possibilities of allowing marijuana grow operations as well as retail establishments.

McRae suggested the decision to permit retail establishments should be placed on the ballot. Consensus was reached that Administration provide additional information to Council about commercial grow operations and the potential impacts on the community as well as the process for implementation of such a licensing program.

PUBLIC COMMENTS:

Leisa Eldred of 310 High St. spoke in support of commercial marijuana businesses and she also urged Council to take into account the resident's views on these topics.

MAYOR AND COUNCIL COMMENTS:

McRae spoke on the role of Council and requested a progress update on the Stoddard & Clinton house.

Weissenborn asked for a progress report on electric car charging station at the library.

Armitage asked for an update on the trash receptacles downtown.

ADJOURNMENT:

Motion by Baker, second by Dyer, to adjourn the meeting at 8:55 p.m. Carried. 6 Yes. 0 No. 1 Absent.

Mayor Armitage

Mikayla Densmore, Deputy City Clerk

— THE CITY OF —
CHARLOTTE
— MICHIGAN —

TO: Honorable Mayor Armitage and City Council
FROM: Erin LaPere, City Manager
SUBJECT: Commercial Marihuana Businesses
DATE: July 9, 2021

In preparation for the City Council discussion on commercial marihuana businesses, Administration has compiled information for Council to review and discuss. In addition to the summary information provided in this memo, there is a separate memo from Chief Brentar on potential public safety concerns related to commercial marihuana activities. I have also included a summary document prepared by the Michigan Marijuana Regulatory Agency (MRA), copies of the relevant state statutes, and sample ordinances to review the options to regulate such businesses. Finally there is information from the discussion held on this matter in 2019. Should Council seek to proceed with enacting ordinances for the allowance of any of these types of commercial activities, the process would include changes to the city's zoning ordinance which would require Planning Commission's involvement in reviewing the draft language as well as formal public hearing requirements prior to adoption by Council.

Outside of the decision of whether to allow commercial operations, since the medical marihuana statute was adopted in 2008 there has been case law which has clarified that municipalities can impose some limited regulations on caregiver medical marihuana activities to ensure those uses are not negatively impacting surrounding neighborhoods while still maintaining the permitted by-right use as required by the Michigan Medical Marihuana Act. Separately from any consideration for commercial activities, I would recommend that Council consider directing staff to draft ordinance regulations on medical caregiver activities. In short, this type of use could be regulated similarly to other home occupations in the city provided the regulations did not effectively disallow the use within the city.



History of Legalization — Briefly, the history of this legalization in the state begins in 2008 at which time a voter initiated statute, the Michigan Medical Marihuana Act, to legalize the medical use of marihuana was adopted. In 2016, the legislature passed the Marihuana Tracking Act to create a statewide system for tracking commercial products (PA 282 of 2016) and the Medical Marihuana Facilities Licensing Act (PA 281 of 2016) to license and regulate commercial medical marihuana activities, including growing, processing, and testing facilities. This Act also created an advisory panel and provided immunity from prosecution for certain marihuana-related activities. In 2018, a voter initiated statute to legalize use of marihuana for persons 21 years of age and older was adopted. The Michigan Regulation and Taxation of Marihuana Act expanded upon the medical use provisions to allow for the use of marihuana by adults 21 years of age and older, allowed for commercial activities, and created a taxation methodology for the regulation of those commercial operations for adult-use, among other provisions.

In consideration of whether the city would like to create a regulatory framework for allowance of either medical or adult-use commercial activities, Administration has provided the information below for further discussion on how these may impact the city.

Financial Impacts — One significant component to the legalization and commercialization has been the revenues generated through licensing and taxation of those engaged in this business. It has been suggested that the city could benefit financially from allowance of commercial marihuana activities within the city limits.

For both medical and adult-use commercial licenses the annual fees paid directly to the city are maxed at \$5,000 per license. These fees would be payable to the city to offset the administrative and enforcement costs incurred by the city. The total amount generated would depend on the number of licenses issued. In speaking with individuals who do business in this market and reviewing state-wide data, the licenses being requested/issued are focusing increasingly on the adult-use businesses. The medical commercial licenses are not as widely sought-after as there is a limited consumer base, but the city could permit both, or only medical or adult use licenses. I have included a copy of the past 6 months of monthly reports from the MRA which details revenues, licenses applied for and issued, and other data.

Beyond the broader medical or adult-use categories, the city can decide which types and the number of licenses to allow. In terms of expected revenues there are two sources, application



fees and excise taxes. For example, if the city were to issue 8 licenses that would generate \$40,000 annually for the city's administrative and enforcement costs via application fees. It is worth noting that each type of use would require a separate license even if all the structures/uses were located on one site. Meaning, if an entrepreneur was seeking to have a Class B Grower operation with processing and a retail component, they would need to obtain three licenses, one for each use. That being said, there is an adult-use, microbusiness license that allows for one license holder to grow up to 150 plants, process, and conduct retail sales.

In addition to the annual license fees, two types of adult-use facilities have additional excise tax revenue distributions to local municipalities from the state. Specifically the statute requires the state allocate 15% of unexpended balances, upon appropriation, proportionally to the number of retail stores and microbusinesses in the community. That amount is the remainder after the state first funds their own regulatory offices and the reduction of \$20 million required per statute for medical research until 2022, for at least two years. For the 2020 calendar year, the state distributed just over \$10 million to CVTs and counties, or slightly over \$28,000 per retail or microbusiness license to municipalities of the \$31 million collected. This amount is variable based on the revenues generated from the 10% excise tax and the amount of that revenue funding that remains at the state level as well as the total number of licenses statewide. Using 2020 revenue figures, if the city were to issue 8 total licenses, 3 of which were designated for retail licenses then it could have received an additional \$84,003.96. Under this scenario, the city would see a total of \$124,003.96 in combined revenues from tax sharing and application fees. Of that total, only the \$40,000 in annual application fees would be directly paid and consistent year-to-year.

Initial and ongoing regulation — While the revenue figures may be attractive at first glance, it's important to note that the city would have to consider the administrative, implementation, and enforcement costs to administer the licensing program. Chief Brentar's memo outlines the police enforcement aspects; however, there are also administrative tasks to consider. The level of regulation imposed on these businesses by the state is extensive, including regular inspections and ongoing monitoring via security cameras. However, we have learned that this would also be very staff-time intensive on the local level, especially during the initial development phase which could last a couple years. Conversations with local administrators in similar-sized communities indicate that we should expect to be spending 20-30 hours per week on this single business sector. That is only administrative



time and does not include any time associated with other departments. The city will need staff to accept and review applications, coordinate the application process and serve as liaison for the city with the state, coordinate responses to complaints with the state, and respond to oversight including response to complaints that are related to city regulations. As an example, if the city required certain landscape buffers to mitigate impacts to adjacent properties we would need to ensure the owner complied initially as well as monitoring the required ongoing maintenance. Should we consider hiring a code enforcement officer, addition of these types of enforcement issues would likely push that into a full time role and I would recommend the city hire an administrative support staff person to assist with the additional workload that will be generated. However, this combined with rental licensing fees may be sufficient to offset costs of hiring staff to properly implement these programs, but Council should be cognizant that this does not appear to be a revenue generating proposition.

Development prospects — Without question, there is an immense demand for these businesses in our current market. If the City Council chooses to allow the development of commercial marijuana businesses, we should expect that there will be immediate development proposals, and likely from all segments of the business that are allowed by law, from growing and processing, to transporting and selling. It will be necessary for Council, Planning Commission, and Administration to take a comprehensive review of the current and future land use plans for the city to determine the types of uses that ought to be permitted, as well as where within the city these uses will have a positive impact on the community.

Location considerations — If the City of Charlotte pursues this kind of commercial development, it will have to make choices about where to allow the businesses. Some communities have chosen to spread-out the businesses, to ensure they are not concentrated in any one area. Others have taken the opposite approach, deliberately limiting them to certain areas so that activity can be more easily monitored and potential negative effects contained.

We have also learned that many of these commercial operators desire to be 'vertically integrated,' meaning that they prefer to have the grow operation, the processing and



packaging operation, and the retail operation in a single location. This allows them to control their supply chain and profit from each element of the operation from seed to sale.

Grow operations have to be in a location zoned for industrial use per the state laws. Our local zoning code allows for retail uses in the industrial zones, so these vertically integrated operations could be located in our I-1 and/or I-2 zones. Limiting these developments to industrial zones could be a straightforward way to more tightly control the locations, while still providing opportunity for development in this sector. However, an argument against taking that approach is that it would leave out most of the community's existing retailers, who might want an equal opportunity to capitalize on the opportunities of this industry.

Licensing — Licensing is another method by which the City will be able to regulate these businesses. The City will need to consider the number of licenses it wishes to permit. This will help ensure the businesses do not proliferate throughout the City beyond whatever level the Council desires. It will also significantly limit competition, giving those businesses who obtain licenses a better opportunity to succeed. Similar to liquor licenses, limiting the number of those uses within a jurisdiction is generally recommended.

We will also be able to establish certain licensing criteria that can help the sector develop in ways the Council determines will fit into the character and desired long term vision of the community. For example, the Council could not only limit the total number of licenses in the City, it could also limit the number of licenses allowed in any given neighborhood or geographic area. It could only permit certain types of licenses, for example only grow licenses or only retail. It could also establish a local preference in issuance of licensing, helping ensure that local entrepreneurs obtain licenses before out-of-town developers.

These state licenses include small (100 plants), medium (500 plants) and large (2,000 plants) growing operation licenses; retail sales license; microbusiness license; consumption establishment license; safety compliance facility license; secure transporter license; and processing facility license. These represent the types of legal commercial marijuana businesses in Michigan. The supplemental MRA Municipal Guide details the license types by medical and adult-use categories, and details the type of activity the licenses permit.



Security concerns — There are a limited number of banks that will work with commercial marijuana operations by allowing uninsured accounts to be opened and transactions conducted as this is still not legal at the federal level, therefore it remains largely a cash business. Contacts that administration has spoken to in researching this matter relate stories of bills being paid with bags of cash, and commercial operators with room-sized safes full of money. This presents certain security concerns above and beyond those presented by the storage of the product itself and there are instances of product theft. Chief Brentar's memo addresses the various security and public safety concerns more thoroughly.

Utilities — One factor that has limited the development of grow operations in various locations around Mid-Michigan is the availability of electrical power. Grow operations are intensive users of electricity. A representative of Consumers Energy indicated that a modest grow facility with a footprint of 3,000 square feet may use as much electricity as a large shopping center like Wal*Mart or Meijer. Because of that, the development of larger grow operations could be delayed by as much as 18 or 24 months if the power delivery is not immediately available.

At our request, Consumers Energy is evaluating the three electrical substations that provide primary power to Charlotte and will be letting us know what excess capacity may be available in various locations in the community. That said, given enough advance notice, Consumer Energy will deliver reliable power to any location in the community at whatever level is required.

While the grow operations do consume water, electrical power is the only utility they would be considered intensive users of. The City has plenty of water capacity to deliver sufficient water, even to a large grow operation.

Citizen referendum — As mentioned in the initial report to the City Council on this topic two years ago, there remains an opportunity in Michigan for a local citizen referendum. This means that even though the City Council does not currently allow commercial marijuana businesses, the decision could be taken out of your hands by a motivated citizens group.



In or Out? — The question was raised at one of the recent City Council meetings as to whether Charlotte ever took official action to opt-out of allowing commercial marijuana businesses. Charlotte has officially opted out and would have to take specific action to reverse that decision. It is worth noting that the statute for commercial medical activities requires a community to opt-in and pass regulations before a license can be issued by the state whereas the statute for recreational/adult-use commercial activities requires a community to take action to opt-out of the use otherwise it is allowable without local controls.

Conclusion — As outlined, there are a significant number of factors that will need to be considered as to whether this type of use is the right choice for Charlotte. Michigan has made its mission to be a national leader in its regulatory framework to track and oversee the commercial opportunities to ensure it is undertaken by those businesses which can comply with the statutory requirements. If Council would like to proceed with permitting commercial marijuana activities I would recommend they begin by determining the types of businesses that they believe will have a positive impact on the community and administration can begin outlining the ordinance language and other regulatory framework to further the discussion.

Charlotte Police Department

Memo

To: Mayor Armitage, City Council Members
From: Chief Brentar
cc: Erin LaPere, City Manager
Date: 06-30-2021
Re: Marijuana Businesses

Per the request of City Council, I have done some research into Marijuana businesses and how this may impact the city along with the operations of the Police Department. I spoke with a representative at the Michigan Marijuana Regulatory Agency (MRA) who advised me of their involvement and the challenges it provides to local law enforcement. The first thing he told me was that **ALL** criminal investigations fall on local law enforcement and that they only ensure that these businesses are following the state guidelines. They recommend at least 1 full-time sworn officer be assigned to enforcement of these businesses. The City of Lansing has seen an increase in break-ins at these types of facilities where suspects steal cars and drive them into these buildings to steal from them. Another issue is that the MRA has seen is with the large amounts of cash that go through these businesses. Some of these shops have daily sales in the \$20K to \$80K range. With this type of cash on hand, the likelihood of crime will increase. Employee theft is also a big challenge. The problem with these types of crimes is that even though they must be reported to local law enforcement, the business owners never want to prosecute their employees thus resulting in a waste of time and tax payer dollars to investigate crimes that will go nowhere.

If these types of businesses were to be approved, there is an application process that must take place and all applicants must have a background check performed on them by local law enforcement. This will create a huge burden on our department as we do not have enough staff to dedicate to this task. For example, the Chief of Police for the Adrian Police Department spent three (3) weeks straight doing nothing but background checks on these applications. I also spoke with Blackman Township Public Safety Sgt. Steve Stowe who told me that they originally started with 1 officer and now have 3 officers that are completely dedicated to enforcement of these types of businesses. He stated that one of the biggest challenges they face is that the rules are changing all of the time from the state level and equates this to building a plane as you fly it.

Sgt. Stowe also told me that he gets calls daily asking for them to help out municipalities who are overwhelmed with processing applications. Again, these are normally run through the Clerk's office due to the money needing to be paid. At this time, we still don't have a City Clerk who would undoubtedly be completely overwhelmed just starting in a new position.

Here are some other bullet points for you to consider:

- Since 2018 we have had 5 shootings (1 officer involved) that are all drug related
- The majority of our violent crimes involve suspects/victims under the influence with issues surrounding drug activity
- Rates of hospitalization for Marijuana are increasing
- In the state of Colorado, violent crime has increased 18.6% and property crime has increased 8.3% since 2013 (legalized in 2012).

Finally, according to the Operational and Financial study conducted this past November, we are significantly busier than any of the other communities we were compared to in both violent and property crimes. If Council were to allow these businesses, we would have to sacrifice services somewhere in order to try to meet the demand. We currently do not have enough staff to take on this challenge and my concern is that if allowed, we may need even more staff like Blackman Township, to meet the demand.

This is just a summary of the research that I have done and will be discussing this with you further during your work session. Please let me know of any further questions that you may have.

Chief Brentar



MUNICIPAL GUIDE

MUNICIPAL GUIDE

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Medical Facility Licensing Questions

What provisions in the Medical Marijuana Facilities Licensing Act (MMFLA) are relevant to municipalities?

[Section 205](#) of the [MMFLA](#) is relevant for municipalities that are considering allowing or restricting medical marijuana facilities' operations within the municipality.

Below are the relevant provisions in the [MMFLA](#) related to municipalities. The Marijuana Regulatory Agency (MRA) is unable to provide legal interpretation of statutory provisions that fall under municipal authority. If clarification on any of the provisions below that fall under municipal authority is needed, the MRA recommends that you consider consulting an attorney:

- Sec. 102.(q): "Municipality" means a city, township, or village."
- Sec. 201.1: "Except as otherwise provided in this act, if a person has been granted a state operating license and is operating within the scope of the license, the licensee and its agents are not subject to any of the following for engaging in activities described in subsection (2):
 - (a) Search or inspection, except for an inspection authorized under this act by law enforcement officers, the municipality, or the department."
- Sec. 201.3: "Except as otherwise provided in this act, a person who owns or leases real property upon which a marijuana facility is located and who has no knowledge that the licensee violated this act is not subject to any of the following for owning, leasing, or permitting the operation of a marijuana facility on the real property:
 - d) Search or inspection, except for an inspection authorized under this act by law enforcement officers, the municipality, or the department."
- Sec. 205.1: "A municipality may adopt an ordinance to authorize 1 or more types of marijuana facilities within its boundaries and to limit the number of each type of marijuana facility. A municipality may adopt other ordinances relating to marijuana facilities within its jurisdiction, including zoning regulations, but shall not impose regulations regarding the purity or pricing of marijuana or interfering or conflicting with this act or rules for licensing marijuana facilities. A municipality that adopts an ordinance under this subsection that authorizes a marijuana facility shall provide the department with all of the following on a form prescribed and provided by the department:
 - (a) An attestation that the municipality has adopted an ordinance under this subsection that authorizes the marijuana facility.
 - (b) A description of any zoning regulations that apply to the proposed marijuana facility within the municipality
 - (c) The signature of the clerk of the municipality or his or her designee.
 - (d) Any other information required by the department."
- Sec. 205.2: "A municipal ordinance may establish an annual, nonrefundable fee of not more than \$5,000.00 to help defray administrative and enforcement costs associated with the operation of a marijuana facility in the municipality."

- Sec. 205.3: “The department may require a municipality to provide the following information to the department on a form prescribed and provided by the department regarding a licensee who submits an application for license renewal:
 - (a) Information that the board declares necessary to determine whether the licensee’s license should be renewed.
 - (b) A description of a violation of an ordinance or a zoning regulation adopted under the subsection (1) committed by the licensee, but only if the violation relates to activities licensed under this act and rules or the Michigan Medical Marihuana Act.
 - (c) Whether there has been a change to an ordinance or a zoning regulation adopted under subsection (1) since the license was issued to the licensee and a description of the change.”
- Sec. 205.4: “Information a municipality obtains from an applicant under this section is exempt from disclosure under the Freedom of Information Act, 1976 PA 442, MCL 15.246. Except as otherwise provided in this subsection, information a municipality provides to the department under this section is subject to disclosure under the Freedom of Information Act, 1976 PA 442, MCL 15.231 to 15.246.”
- Sec. 401.1: “Beginning December 15, 2017, a person may apply to the board for state operating licenses in the categories of class A, B, C grower; processor; provisioning center; secure transporter; and safety compliance facility as provided in this act. The application shall be made under oath on a form provided by the board and shall contain information as prescribed by the board, including, but not limited to, all of the following:
 - (j) A paper copy or electronic posting website reference for the ordinance or zoning restriction that the municipality adopted to authorize or restrict operating 1 or more marihuana facilities in the municipality.
 - (k) A copy of the notice informing the municipality by registered mail that the applicant has applied for a license under this act. The applicant shall also certify that it has delivered the notice to the municipality or will do so by 10 days after the date the applicant submits the application for a license to the board.”
- Sec. 401.6: “By 10 days after the date the applicant submits an application to the board, the applicant shall notify the municipality by registered mail that it has applied for a license under this act.”
- Sec. 503.1: “A secure transporter license authorizes the license to store and transport marihuana and money associated with the purchase or sale of marihuana between marihuana facilities for a fee upon request of a person with legal custody of that marihuana or money. It does not authorize transport to a registered qualifying patient or registered primary caregiver. If a secure transporter has its primary place of business in a municipality that has adopted an ordinance under section 205 authorizing that marihuana facility, the secure transporter may travel through any municipality.”

Does a municipal ordinance have to opt in or opt out for medical facilities?

If a municipality intends to authorize the operation of medical marijuana facilities within the municipality, the municipality must adopt an ordinance that specifically authorizes the operation

of medical marijuana facilities within the municipality. If no ordinance is in place, the Marijuana Regulatory Agency will not issue a license to a facility in that municipality.

Can the Marijuana Regulatory Agency (MRA) tell a municipality what should be included in the municipality's ordinance and zoning regulations?

The MRA does not provide legal advice or interpretation regarding issues that fall under municipal authority. Please review [Section 205](#) of the [Medical Marijuana Facilities Licensing Act](#) for information about municipal authority regarding ordinance and zoning regulations.

If you still have questions after your review, you may wish to consider consulting with an attorney.

Does the Marijuana Facilities Licensing Act prohibit facilities from being within a certain distance to a school?

No, but the municipality may have ordinance or zoning requirements that require a facility be a certain distance from the school. For more information please review [Section 205](#) of the [Medical Marijuana Facilities Licensing Act](#) or contact the municipality where your facility will operate.

Can the municipality charge an application fee?

Yes, pursuant to [Section 205.2](#) of the [Medical Marijuana Facilities Licensing Act \(MMFLA\)](#):

“A municipal ordinance may establish an annual, nonrefundable fee of not more than \$5,000.00 to help defray administrative and enforcement costs associated with the operation of a marijuana facility in the municipality.”

How does the medical marijuana facility licensing process work?

The medical marijuana facility licensing process is a two process step:

Prequalification (Step 1) Application

The first step in the process is prequalification. During prequalification, the Marijuana Regulatory Agency (MRA) vets the entities and individuals who are applicants for the proposed medical marijuana facility by conducting criminal and financial background checks to verify their eligibility for licensure.

If the applicant is denied for prequalification, the MRA sends the applicant a Notice of Denial letter advising the applicant the prequalification application is denied. Denied applicants have 21 days to request a public investigative hearing. At the hearing, the applicant has an opportunity to demonstrate they are eligible for licensure. After the public investigative hearing, the

Executive Director of the MRA either affirms or reverses the Licensing Division's decision to deny the application. If the Executive Director affirms the decision to deny the application, the applicant has the ability to pursue additional legal action in the courts to reverse the decision.

If the applicant is approved for prequalification, the MRA sends the applicant a Notice of Determination letter advising the applicant that prequalification status has been granted and is approved for two years.

Facility License (Step 2) Application

The second step in the medical marijuana facilities licensing process is the facility license application. During the facility license application process, the MRA reviews the facility license application documents and requests that the MRA Enforcement Division (Field Operations) and the Bureau of Fire Services (BFS), if applicable, inspect the facility.

Facility inspections are conducted after all facility license application deficiencies have been resolved. The MRA will not perform building inspections if [Attestation I – Confirmation of Section 205 Compliance - Part 1: Municipality](#) has not been completed by the municipality.

Please note that a facility license application may be denied. Some reasons for denial include, but are not limited to, the applicant's failure to resolve application deficiencies or lack of municipal authorization to operate.

If a facility license application is denied, the MRA sends the applicant a Notice of Denial letter advising the applicant the facility license application is denied. Denied applicants have 21 days to request a public investigative hearing. At the hearing, the applicant has an opportunity to demonstrate they are eligible for licensure. After the public investigative hearing, the Executive Director of the MRA either affirms or reverses the Licensing Division's decision to deny the application. If the Executive Director affirms the decision to deny the application, the applicant has the ability to pursue additional legal action in the courts to reverse the decision.

If the MRA approves the facility license application, a state license will be issued to the applicant after the regulatory assessment fee is paid.

Renewal Application

A medical marijuana facility license is issued for a one-year period from the date of the licensee's original licensure approval. If a licensee decides to renew their license, they will need to submit a renewal application.

During the renewal process, the licensee must submit the licensure fee payment and a renewal application prior to the licensee's expiration date. The MRA reviews the renewal application to ensure the facility is compliant with tax obligations, municipal ordinances, and the MRA's [rules and regulations](#).

If the MRA approves the renewal application, the expiration date of the state license is extended by one year.

What type of licenses are available under the Medical Marihuana Facilities Licensing Act (MMFLA)?

The following licenses types are available under the [MMFLA](#) and associated [administrative rules](#):

- Class A Grower (may grow up to 500 marijuana plants)
- Class B Grower (may grow up to 1,000 marijuana plants)
- Class C Grower (may grow up to 1,500 marijuana plants)
- Processor
- Provisioning Center
- Safety Compliance Facility
- Secure Transporter

What are the touchpoints between the Marijuana Regulatory Agency (MRA) and municipalities during the medical marijuana facility licensing process?

The following touchpoints exist between the MRA and municipalities during the medical marijuana facility licensing process:

Attestation I – Confirmation of Section 205 Compliance - Part 1: Municipality

The medical marijuana facility license application (Step 2) requires that [Attestation I – Confirmation of Section 205 Compliance - Part 1: Municipality](#) be completed by the municipal clerk or designee of the municipality in which the proposed facility will be located.

After signing the attestation in the presence of a notary, the municipal clerk or designee should return the form to the applicant so the applicant can submit the attestation with their facility license application.

By signing this attestation, the municipality is attesting the municipality has adopted an ordinance authorizing the operation of medical marijuana facilities within the municipality and the proposed facility is in compliance with all municipal regulations and ordinances. The municipality is also confirming that they will report any changes to municipal ordinances adopted under [Section 205](#) of the [Medical Marihuana Facilities Act \(MMFLA\)](#) and will report any violations of municipal regulations or ordinances to MRA-Enforcement@michigan.gov.

If the municipality signs this attestation, the MRA will consider the applicant compliant with all municipal regulations and will approve the applicant for a medical marijuana facility license if all licensing requirements have been met.

If the municipality does not sign this attestation, the MRA will not request or perform the required inspections to determine if the applicant has met all licensing requirements.

Certified Mail Receipt with Letter Sent to Municipality

[Section 401.1 \(k\)](#) of the [MMFLA](#) requires that an applicant send the MRA a copy of the notice informing the municipality by registered mail that the applicant has applied for a license under

the [MMFLA](#). The applicant shall also certify that it has delivered the notice to the municipality or will do so by 10 days after the date the applicant submits the application for a license...”

The [medical marijuana facility license application checklist](#) states that the MRA requires a copy of the certified mail receipt along with the letter that was sent to the municipality notifying the municipality that the applicant’s facility application was submitted to the MRA.

[Page 9 of the facility license application](#), under Part 2, requires the facility’s municipality information. This section also asks for information on the certified mail receipt – if the notice was sent and the date the notice was sent to the municipality.

Notification of State Operating License Determination – Granted:

This determination letter is sent to the municipality after the facility license application has been approved, the regulatory assessment fee has been paid, and the license has been issued. This letter is sent by email to the email address provided in the “Clerk (or designee) Email Address” field of Attestation I: Part 1. The subject line of this email will be “Notification of State Operating License Determination – Entity Name” (e.g., Notification of State Operating License Determination – Michigan Marijuana LLC). The municipality determination letter of approval will be provided as an attachment.

Notification of State Operating License Determination – Denied:

This determination letter is sent to the municipality after a facility license application has been denied. This letter is sent by email to the email address provided in the “Clerk (or designee) Email Address” field of Attestation I: Part 1. The subject line of this email will be “Notification of State Operating License Determination – Entity Name” (e.g., Notification of State Operating License Determination – Michigan Marijuana LLC). The municipality determination letter of denial will be provided as an attachment.

Please note that an application is not officially denied unless an applicant fails to request a public investigative hearing or the applicant has exhausted all administrative remedies and legal appeals for the denial. Therefore, a municipality will not receive this letter until an applicant is officially denied.

Attestation I – Renewal

The medical marijuana facility license renewal application requires that [Attestation I – Renewal](#) be completed by the municipal clerk or designee of the municipality in which the licensee is operating. After signing the attestation in the presence of a notary, the municipal clerk or designee should return the form to the licensee so it may be submitted with their license renewal application.

Within the attestation, the municipal clerk or designee must indicate if the licensee has or has not violated a municipal ordinance or zoning regulation pursuant to [Section 205](#) of the [MMFLA](#). If a violation has occurred, the municipal clerk or designee should provide an attachment along with the attestation describing the violation.

The municipal clerk or designee must also indicate if there has been a change to a municipal ordinance or zoning regulation adopted under [Section 205](#) of the [MMFLA](#). If a change has occurred, the municipal clerk or designee should provide an attachment along with the attestation describing the change.

If the municipality signs the this attestation, the MRA will consider the licensee compliant with all municipal regulations and will renew the licensee's medical marijuana facility license if all licensing requirements have been met.

Violations of Municipal Ordinances or Zoning Regulations

The municipality should report any violations of municipal ordinances or zoning regulations by licensees located in the municipality to MRA-Enforcement@michigan.gov.

Changes to Municipal Ordinances or Zoning Regulations

The municipality should report any changes to municipal ordinances or zoning regulations related to medical marijuana facilities to MRA-Enforcement@michigan.gov.

How do municipalities confirm to the Marijuana Regulatory Agency (MRA) that an applicant is authorized to operate a medical facility in the municipality?

Municipalities confirm to the MRA that an applicant is authorized to operate a medical marijuana facility in the municipality by completing [Attestation I – Confirmation of Section 205 Compliance - Part 1: Municipality](#).

If confirmation of municipal compliance is received, the MRA will approve the applicant for a medical marijuana facility license if all licensing requirements have been met.

Does an applicant have to notify the municipality when the applicant submits a facility license (Step 2) application?

Yes. [Section 401.1 \(k\)](#) of the [Medical Marijuana Facilities Act \(MMFLA\)](#) requires that an applicant send the Marijuana Regulatory Agency (MRA) a copy of the notice informing the municipality by registered mail that the applicant has applied for a license under the [MMFLA](#). The applicant shall also certify that it has delivered the notice to the municipality or will do so by 10 days after the date the applicants submits the application for a license..."

The [medical marijuana facility license application checklist](#) states that the MRA requires a copy of the certified mail receipt along with the letter that was sent to the municipality notifying the municipality that the applicant's facility application was submitted to MRA.

[Page 9 of the facility license application](#), under Part 2, requires the facility's municipality information. This section also asks for information on the certified mail receipt – if the notice was sent and the date the notice was sent to the municipality.

Is a municipality notified when a facility license (Step 2) application is approved or denied?

Yes. The Marijuana Regulatory Agency will notify the municipality after a facility license application determination has been made. See below for a description of the two letters.

Notification of State Operating License Determination – Granted:

This determination letter is sent to the municipality after the facility license application has been approved, the regulatory assessment fee has been paid, and the license has been issued. This letter is sent by email to the email address provided in the “Clerk (or designee) Email Address” field of [Attestation I – Confirmation of Section 205 Compliance - Part 1: Municipality](#). The subject line of this email will be “Notification of State Operating License Determination – Entity Name” (e.g., Notification of State Operating License Determination – Michigan Marijuana LLC). The municipality determination letter of approval will be provided as an attachment.

Notification of State Operating License Determination – Denied:

This determination letter is sent to the municipality after the facility license application has been denied. This letter is sent by email to the email address provided in the “Clerk (or designee) Email Address” field of [Attestation I – Confirmation of Section 205 Compliance - Part 1: Municipality](#). The subject line of this email will be “Notification of State Operating License Determination – Entity Name” (e.g., Notification of State Operating License Determination – Michigan Marijuana LLC). The municipality determination letter of denial will be provided as an attachment.

Please note that an application is not officially denied unless an applicant fails to request a public investigative hearing or the applicant has exhausted all administrative remedies and legal appeals for the denial. Therefore, a municipality will not receive this letter until an applicant is officially denied.

When an applicant renews a license, does the applicant have to confirm to the Marijuana Regulatory Agency (MRA) that he or she still has municipal authorization to operate a facility within the municipality?

Yes. The municipality is required to sign [Attestation I – Renewal](#) when an applicant renews their medical marijuana facility license. If the municipality signs this attestation, the MRA will consider the licensee compliant with all municipal regulations and will renew the licensee’s medical marijuana facility license.

By signing this attestation, the municipality is attesting that they are in compliance with the municipal ordinance requirement of [Section 205](#) of the [MMFLA](#). The municipality is also confirming that they are reporting changes to municipal ordinances adopted under [Section 205](#) of the [MMFLA](#) and have reported any violations of municipal regulations or ordinances to MRA-Enforcement@michigan.gov.

After signing the attestation in the presence of a notary, the municipal clerk or designee should return the form to the applicant so the applicant can submit the attestation with the renewal application.

Adult-Use Establishment Licensing Questions

What provisions in the Michigan Regulation and Taxation of Marihuana Act (MRTMA) are relevant to municipalities?

[Section 6](#) of the [MRTMA](#) is relevant for municipalities that are considering allowing or restricting adult-use marijuana establishments' operations within the municipality.

Below are the relevant provisions in the [MRTMA](#) related to municipalities. The Marijuana Regulatory Agency (MRA) is unable to provide legal interpretation of statutory provisions that fall under municipal authority. If clarification on any of the provisions below that fall under municipal authority is needed, the MRA recommends that you consider consulting an attorney:

- Sec. 3.(q).: "Municipality" means a city, village, or township."
- Sec. 6.1.: "Except as provided in section 4, a municipality may completely prohibit or limit the number of marihuana establishments within its boundaries."
- Sec. 6.2.: "A municipality may adopt other ordinances that are not unreasonably impracticable and do not conflict with this act or any rule promulgated pursuant to this act and that:
 - (b) establish reasonable restrictions on public signs related to marihuana establishments;
 - (c) regulate the time, place, and manner of operation of marihuana establishments and of the production, manufacture, sale, or display of marihuana accessories;
 - (d) authorize the sale of marihuana for consumption in designated areas that are not accessible to persons under 21 years of age, or at special events in limited areas and for a limited time; and
 - (e) designate a violation of the ordinance and provide for a penalty for that violation by a marihuana establishment, provided that such violation is a civil infraction and such penalty is a civil fine of not more than \$500."
- Sec. 6.3.: "A municipality may adopt an ordinance requiring a marihuana establishment with a physical location within the municipality to obtain a municipal license, but may not impose qualifications for licensure that conflict with this act or rules promulgated by the department."
- Sec. 6.4.: "A municipality may charge an annual fee of not more than \$5,000 to defray application, administrative, and enforcement costs associated with the operation of the marihuana establishment in the municipality."
- Sec. 6.5.: "A municipality may not adopt an ordinance that restricts the transportation of marihuana through the municipality or prohibits a marihuana grower, a marihuana processor, and a marihuana retailer from operating within a single facility or from operation at a location shared with a marihuana facility operating pursuant to the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801."
- Sec. 9.1.: "Each application for a state license must be submitted to the department. Upon receipt of a complete application and application fee, the department shall forward a copy of the application to the municipality in which the marihuana establishment is to be located, determine whether the applicant and the premises qualify for the state license and comply with this act, and issue the appropriate state license or send the applicant a notice of

rejection setting forth specific reasons why the department did not approve the state license application within 90 days.

- Sec. 9.3.: “Except as otherwise provided in this section, the department shall approve a state license application and issue a state license if:
 - (b) the municipality in which the proposed marihuana establishment will be located does not notify the department that the proposed marihuana establishment is not in compliance with an ordinance consistent with section 6 of this act and in effect at the time of application;
 - (c) the property where the proposed marihuana establishment is to be located is not within an area zoned exclusively for residential use and is not within 1,000 feet of a pre-existing public or private school providing education in kindergarten or any of grades 1 through 12, unless a municipality adopts an ordinance that reduces this distance requirement;
- Sec. 9.4.: “If a municipality limits the number of marihuana establishments that may be licensed in the municipality pursuant to section 6 of this act and that limit prevents the department from issuing a state license to all applicants who meet the requirements of subsection 3 of this section, the municipality shall decide among competing applications by a competitive process intended to select applicants who are best suited to operate in compliance with this act within the municipality.”
- Sec. 14.3.: “The department shall expend money in the [marihuana regulation] fund first for the implementation, administration, and enforcement of this act, and second, until 2022 or for at least two years, to provide \$20 million annually to one or more clinical trials that are approved by the United States food and drug administration and sponsored by a non-profit organization or researcher within an academic institution researching the efficacy of marihuana in treating the medical conditions of United States armed services veterans and preventing veteran suicide. Upon appropriation, unexpended balances must be allocated as follows:
 - (a) 15% to municipalities in which a marihuana retail store or a marihuana microbusiness is located, allocated in proportion to the number of marihuana retail stores and marihuana microbusinesses within the municipality;

Does a municipal ordinance have to opt in or opt out for adult-use establishments?

To avoid an adult-use establishment license from being issued within the municipality, a municipality must opt out of the [Michigan Regulation and Taxation of Marihuana Act \(MRTMA\)](#) by passing a municipal ordinance that completely prohibits adult-use marijuana establishments.

The municipality is also able to opt in to the [MRTMA](#) by passing a municipal ordinance that authorizes the operation of marijuana establishments within the municipality. An authorizing ordinance may also limit the number of marijuana establishments that operate within the municipality.

For further information on municipal ordinances, refer to [Section 6](#) of the [MRTMA](#).

Can the Marijuana Regulatory Agency (MRA) tell a municipality what should be included in the municipality's ordinance and zoning regulations?

The MRA does not provide legal advice or interpretation regarding issues that fall under municipal authority. Please review [Section 6](#) of the [Michigan Regulation and Taxation of Marijuana Act](#) for information about municipal authority over adult-use marijuana establishments.

If you still have questions after your review, you may wish to consider consulting with an attorney.

Does the Michigan Regulation and Taxation of Marijuana Act (MRTMA) prohibit adult-use establishments from being within a certain distance to a school?

Yes. Pursuant to [Section 9.3.\(c\)](#) of the [MRTMA](#), the property where the proposed marijuana establishment will be located cannot be within 1,000 feet of a pre-existing public or private school providing education in kindergarten or any of grades 1 through 12, unless a municipality adopts an ordinance that reduces this distance requirement.

Please note that a municipality may exercise its authority to reduce the distance via ordinance in two ways:

- 1) Define the way in which the distance is measured (e.g. door to door, along streets),
OR
- 2) Reduce the distance requirement outright (e.g. 500 feet instead of 1,000).

If a municipality has not adopted an ordinance reducing the distance requirement, the Marijuana Regulatory Agency (MRA) will not issue a license for an adult-use establishment that is within 1,000 feet of the school. The MRA will measure the 1,000 feet perimeter as the direct distance from property line to property line when making this determination.

Can the municipality charge an application fee?

Yes. Pursuant to [Section 6.4.](#) of the [Michigan Regulation and Taxation of Marijuana Act](#):

“A municipality may charge an annual fee of not more than \$5,000 to defray application, administrative, and enforcement costs associated with the operation of the marijuana establishment in the municipality.”

Does money collected from adult-use establishments taxes or fees go to municipalities?

Yes, a portion does but not immediately. Money in the fund is first used to repay the initial appropriation from the general fund used to implement the [Michigan Regulation and Taxation of Marihuana Act \(MRTMA\)](#). Next, \$20M per year for at least 2 years is used for Food and Drug Administration (FDA) approved clinical trials. After that money is distributed to municipalities, counties, the school aid fund, and the transportation fund. Please see the relevant [MRTMA](#) provision below.

Pursuant to [Section 14](#) of the [MRTMA](#):

1. The marihuana regulation fund is created in the state treasury. The department of treasury shall deposit all money collected under section 13 of this act and the department shall deposit all fees collected in the fund. The state treasurer shall direct the investment of the fund and shall credit the fund interest and earnings from fund investments. The department shall administer the fund for auditing purposes. Money in the fund shall not lapse to the general fund.

2. Funds for the initial activities of the department to implement this act shall be appropriated from the general fund. The department shall repay any amount appropriated under this subsection from proceeds in the fund.

3. The department shall expend money in the fund first for the implementation, administration, and enforcement of this act, and second, until 2022 or for at least two years, to provide \$20 million annually to one or more clinical trials that are approved by the United States food and drug administration and sponsored by a non-profit organization or researcher within an academic institution researching the efficacy of marihuana in treating the medical conditions of United States armed services veterans and preventing veteran suicide. Upon appropriation, unexpended balances must be allocated as follows:

(a) 15% to municipalities in which a marihuana retail store or a marihuana microbusiness is located, allocated in proportion to the number of marihuana retail stores and marihuana microbusinesses within the municipality;

(b) 15% to counties in which a marihuana retail store or a marihuana microbusiness is located, allocated in proportion to the number of marihuana retail stores and marihuana microbusinesses within the county;

(c) 35% to the school aid fund to be used for K-12 education; and

(d) 35% to the Michigan transportation fund to be used for the repair and maintenance of roads and bridges.

How does the adult-use licensing process work?

The adult-use establishment licensing process is divided into two steps: the prequalification application and the establishment license application.

Prequalification (Step 1) Application

The first step in the process is prequalification. During prequalification, the Marijuana Regulatory Agency (MRA) vets the entities and individuals who are applicants for the proposed adult-use marijuana establishment by conducting criminal and financial background checks to verify their eligibility for licensure.

If the applicant is denied prequalification, the MRA sends the applicant a Notice of Denial letter advising the applicant the prequalification application is denied. Denied applicants have 21 days to request a public investigative hearing. At the hearing, the applicant has an opportunity to demonstrate they are eligible for licensure. After the public investigative hearing, the Executive Director of the MRA either affirms or reverses the Licensing Division's decision to deny the application. If the Executive Director affirms the decision to deny the application, the applicant has the ability to pursue additional legal action in the courts to reverse the decision.

If the applicant is approved for prequalification, the MRA sends the applicant a Notice of Determination letter advising the applicant that prequalification status has been granted and is approved for two years.

Establishment License (Step 2) Application

The second step in the adult-use establishment licensing process is the establishment license application. During the establishment license application process, the MRA reviews the establishment license application documents and requests that the MRA Enforcement Division (Field Operations) and the Bureau of Fire Services (BFS), if applicable, inspect the establishment.

Establishment inspections are conducted after all establishment license application deficiencies have been resolved. The MRA will not perform building inspections if [Attestation 2-C - Confirmation of Section 6 Compliance - Part 1: Municipality](#) has not been completed by the municipality.

Please note that an establishment license application may be denied. Some reasons for denial include, but are not limited to, the applicant's failure to resolve application deficiencies or lack of municipal authorization to operate.

If an establishment license application is denied, the MRA sends the applicant a Notice of Denial letter advising the applicant the establishment license application is denied. Denied applicants have 21 days to request a public investigative hearing. At the hearing, the applicant has an opportunity to demonstrate they are eligible for licensure. After the public investigative hearing, the Executive Director of the MRA either affirms or reverses the Licensing Division's decision to deny the application. If the Executive Director affirms the decision to deny the application, the applicant has the ability to pursue additional legal action in the courts to reverse the decision.

If the MRA approves the establishment license application, a state license will be issued to the applicant after the initial licensure fee is paid.

Renewal

An adult-use license is issued for a one-year period from the date of the licensee's original licensure approval. If a licensee decides to renew their license, they must submit a renewal application.

During the renewal process, the licensee must submit the licensure fee payment and a renewal application prior to the licensee's expiration date. The MRA reviews the renewal application to ensure the establishment is compliant with tax obligations, municipal ordinances, and the MRA [rules and regulations](#).

If the MRA approves the renewal application, the expiration date of the state license is extended by one year.

What types of licenses are available under the Michigan Regulation and Taxation of Marihuana Act (MRTMA)?

The following license types are available under the [MRTMA](#) and associated [administrative rules](#):

- Class A Marijuana Grower (may grow up to 100 plants)
- Class B Marijuana Grower (may grow up to 500 plants)
- Class C Marijuana Grower (may grow up to 2,000 plants)
- Excess Marijuana Grower (may grow up to 2,000 plants, depending on the adult-use licensee's medical marijuana plant allowance)
- Marijuana Microbusiness (may grow up to 150 plants, process, and retail)
- Marijuana Processor
- Marijuana Retailer
- Marijuana Safety Compliance Facility
- Marijuana Secure Transporter
- Designed Consumption Establishment
- Marijuana Event Organizer
- Temporary Marijuana Event

What are the touchpoints between the Marijuana Regulatory Agency (MRA) and municipalities during the adult-use licensing process?

The following touchpoints exist between the MRA and municipalities during the adult-use licensing process:

Attestation 2-C – Confirmation of Section 6 Compliance - Part 1: Municipality

The adult-use establishment license (Step 2) application requires that [Attestation 2-C - Confirmation of Section 6 Compliance - Part 1: Municipality](#) be completed by the municipal clerk or designee of the municipality in which the proposed establishment will be located.

After signing the attestation in the presence of a notary, the municipal clerk or designee should return the form to the applicant so the applicant can submit the attestation with their establishment license application.

By signing this attestation, the municipality is attesting the municipality has not adopted an ordinance prohibiting adult-use marijuana establishments within the municipality and the proposed establishment is in compliance with all municipal ordinances and zoning regulations.

The municipality is also confirming that they will report any changes to municipal ordinances adopted under [Section 6](#) of the [Michigan Regulation and Taxation of Marihuana Act \(MRTMA\)](#) and will report any violations of municipal regulations or ordinances to MRA-Enforcement@michigan.gov.

If the municipality signs this attestation, the MRA will consider the applicant compliant with all municipal regulations and will approve the applicant for an adult-use establishment license if all licensing requirements have been met.

If the municipality does not sign this attestation, the MRA will not request or perform the required inspections to determine if the applicant has met all licensing requirements.

Municipal Notification Letter

After receiving an establishment license application with a completed [Attestation 2-C - Confirmation of Section 6 Compliance - Part 1: Municipality](#), the MRA sends a municipality notification letter by email to the email address provided in the “Clerk (or designee) Email Address” field of this attestation. This email will come from MRA-AdultUseLicensing@michigan.gov. The subject line of this email will be “Municipality Notification – Applicant Name - Application Number” (e.g., Municipality Notification – Michigan Marijuana LLC AU-RA-000099). The municipality notification letter will be provided as an attachment and includes the applicant name, supplemental applicant names, address of the proposed establishment, and the type of marijuana establishment license the applicant applied for. Due to the FOIA provision in [Section 9\(7\)](#) of the the [MRTMA](#) [*“7. Information obtained from an applicant related to licensure under this act is exempt from disclosure under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.”*], application records are not disclosed.

After the municipality receives the municipality notification letter, no action is required by the municipality unless the applicant named in the letter is non-compliant with a municipal ordinance adopted under [Section 6](#) of the [MRTMA](#). If the applicant is in violation of a municipal ordinance adopted under [Section 6](#) of the [MRTMA](#), the municipality should notify the MRA pursuant to the instructions provided in the letter.

Confirmation of Municipal Compliance

After an establishment license application has passed the required inspections, the adult-use licensing analyst will request confirmation of municipal compliance to ensure no changes have occurred within the municipality or with the applicant since the Municipal Notification Letter was sent. The email will come from noreply@accela.com with the subject “Confirmation of Municipal Compliance.”

Pursuant to the instructions in the email, the municipality must send an email to MRA-AdultUseLicensing@michigan.gov confirming that no ordinances have been adopted prohibiting adult-use marijuana establishments and that the proposed establishment is in compliance with all regulations and ordinances within the municipality. The MRA will not move forward with the application until confirmation of municipal compliance has been received.

Due to the statutory requirement in [MRTMA](#) that adult-use marijuana establishment applications must be approved or denied within 90 days of receipt, the adult-use analyst will follow up on the confirmation of municipal compliance email via phone or email as necessary until a response is received.

Municipality Determination Letter

The municipality determination letter is sent to the municipality after the establishment license application determination has been made.

The municipality determination letter is sent by email to the email address provided in the “Clerk (or designee) Email Address” field of [Attestation 2-C -Confirmation of Section 6 Compliance - Part 1: Municipality](#). The subject line of this email will be “Municipality Determination Letter – Applicant Name – Application Number” (e.g., Municipality Determination Letter – Michigan Marijuana LLC – AU-RA-001234). The municipality determination letter will be provided as an attachment and will indicate the applicant name, application number, address of the establishment, and whether the license has been approved or the application has been denied.

If the license has been approved, this letter is sent after the initial licensure fee has been paid and the license has been issued. This email will come from MRA-AdultUseLicensing@michigan.gov.

If the license has been denied, this letter is sent if the applicant did not request a public investigative hearing within 21 days the denial determination or if the result of a public investigative hearing remains a denial determination. This email will come from noreply@accela.com.

Please note that an application is not officially denied unless an applicant fails to request a public investigative hearing or the applicant has exhausted all administrative remedies and legal appeals for the denial. Therefore, a municipality will not receive this letter until an applicant is officially denied.

Attestation R-B – Confirmation of Section 6 Compliance

The adult-use establishment license renewal application requires that [Attestation R-B – Confirmation of Section 6 Compliance](#) be completed by the municipal clerk or designee of the municipality in which the licensee is operating. After signing the attestation in the presence of a notary, the municipal clerk or designee should return the form to the licensee so it may be submitted with their license renewal application.

Within the attestation, the municipal clerk or designee must indicate if the licensee has or has not violated a municipal ordinance or zoning regulation pursuant to [Section 6](#) of the [MRTMA](#). If a violation has occurred, the municipal clerk or designee should provide an attachment along with the attestation.

The municipal clerk or designee must also indicate if there has been a change to a municipal ordinance or zoning regulation adopted pursuant to [Section 6](#) of the [MRTMA](#). If a change has occurred, the municipal clerk or designee should provide an attachment describing the violation along with the attestation.

If the municipality signs this attestation, the MRA will consider the licensee compliant with all municipal regulations and will renew the licensee’s adult-use establishment license if all licensing requirements have been met.

Violations of Municipal Ordinances or Zoning Regulations

The municipality should report any violations of municipal ordinances or zoning regulations by licensees located in the municipality to MRA-Enforcement@michigan.gov.

Changes to Municipal Ordinances or Zoning Regulations

The municipality should report any changes to municipal ordinances or zoning regulations related to adult-use establishments to MRA-Enforcement@michigan.gov.

How do municipalities confirm to the Marijuana Regulatory Agency (MRA) that an adult-use applicant is compliant with municipal ordinances and zoning regulations?

Municipalities confirm to the MRA that an adult-use applicant is in compliance with municipal ordinances and zoning regulations by completing [Attestation 2-C -Confirmation of Section 6 Compliance - Part 1: Municipality](#).

Before a license is issued, the MRA will also send a Confirmation of Municipal Compliance email to the email address provided for the municipal clerk or designee to confirm that the information on the attestation is accurate and that no changes have occurred within the municipality or with the applicant since the attestation was signed.

If confirmation of municipal compliance is received, the MRA will approve the applicant for an adult-use establishment license if all licensing requirements have been met.

What happens after the municipality signs Attestation 2-C – Confirmation of Section 6 Compliance – Part 1: Municipality?

After signing [Attestation 2-C -Confirmation of Section 6 Compliance - Part 1: Municipality](#) in the presence of a notary, the municipal clerk or designee should return the form to the applicant so it may be submitted with their establishment license (Step 2) application.

If the municipality signs this attestation, the Marijuana Regulatory Agency (MRA) will consider the applicant compliant with all municipal regulations and will approve the applicant for an adult-use establishment license if all licensing requirements have been met.

If the municipality does not sign this attestation, the MRA will not request or perform the required inspections to determine if the applicant has met all licensing requirements.

Does an applicant have to notify the municipality when they submit an adult-use establishment license (Step 2) application?

No, the applicant is not required to notify the municipality upon submitting an adult-use establishment license application. However, the Marijuana Regulatory Agency will send a

municipal notification letter by email to the email address provided in the “Clerk (or designee) Email Address” field of the completed [Attestation 2-C -Confirmation of Section 6 Compliance - Part 1: Municipality](#) notifying the municipality that an adult-use license has been applied for within the municipality.

Is a municipality notified when an adult-use establishment license (Step 2) application is approved or denied?

Yes. The Marijuana Regulatory Agency will notify the municipality after an establishment license application determination has been made.

This letter will be sent by email to the email address provided in the “Clerk (or designee) Email Address” field of [Attestation 2-C -Confirmation of Section 6 Compliance - Part 1: Municipality](#). The subject line of this email will be “Municipality Determination Letter – Applicant Name – Application Number” (e.g., Municipality Determination Letter – Michigan Marijuana LLC – AU-RA-001234). The municipality determination letter will be provided as an attachment and will indicate the applicant name, application number, address of the establishment, and whether the license has been granted or the application has been denied.

When an adult-use licensee renews a license, do they have to confirm to the Marijuana Regulatory Agency that they are still compliant with municipal ordinances and zoning regulations?

Yes. To confirm that an adult-use licensee is still compliant with municipal ordinances and zoning regulations when renewing an adult-use establishment license, the renewal application requires that [Attestation R-B – Confirmation of Section 6 Compliance](#) be completed by the municipal clerk or designee of the municipality in which the licensee is operating.

Enforcement Questions

When does the Marijuana Regulatory Agency (MRA) inspect a proposed marijuana business (medical facility or adult-use establishment) and what is included in the inspection?

The MRA conducts several types of inspections of marijuana businesses:

Pre-Licensure

This inspection occurs after a marijuana business has applied to the MRA for a marijuana license and is in the Step 2 application phase. During this time, the MRA inspectors will communicate with the applicant and conduct an inspection of basic building requirements that need to be met in order to pass the required Pre-Licensure inspection. Some of these requirements include security cameras, partitioning from other businesses in certain cases, and a valid Certificate of Occupancy (or its equivalent) from the local municipality.

Should a business not pass the Pre-Licensure inspection, the MRA inspectors will work with the applicant to bring them into compliance and a passing inspection or advise the MRA Licensing Division that the applicant is unable to pass this requirement. An inspection report is always generated and provided to the applicant after each inspection.

30-Day Post-Licensure

This inspection occurs approximately 30-calendar days after a licensee receives their marijuana license from the MRA. The focus is to bring the licensee into compliance with several functions that can only occur when a business has the license. This includes, but is not limited to, tagging of marijuana products with the statewide monitoring system (Metrc), product labelling compliance, employee suitability for employment and employee training, product storage compliance, adherence to the Executive Orders related to COVID, plant count limits, and more.

The intent of this inspection is to highlight the multitude of rule requirements a new licensee must adhere to in order to remain in compliance with state statutes and rules. Any deficiencies are noted, and a re-inspection will be scheduled until the licensee passes. An inspection report is always generated and provided to the licensee after each inspection.

Semi-Annual

This inspection occurs approximately every six months and is similar to the 30-Day Post-Licensure inspection in detail. This inspection is focused on ensuring the licensee maintains compliance with state statutes and rules. Any deficiencies are noted, and a re-inspection will be scheduled until the licensee passes. An inspection report is always generated and provided to the licensee after each inspection.

Other

This inspection occurs whenever a business reports a need for any change or modification they want to make to the physical structure or equipment at the business. The MRA also uses this inspection type at our discretion to conduct an inspection at a time of our choosing. Any deficiencies are noted, and a re-inspection will be scheduled until the licensee passes. An inspection report is always generated and provided to the licensee after each inspection.

What role does the Bureau of Fire Services have in the Marijuana Regulatory Agency's (MRA) inspection process?

The Bureau of Fire Services (BFS) conducts Pre-Licensure, Semi-Annual, and Other inspections just like the MRA. The BFS utilizes the NFPA 1 of 2018 fire code as a foundation of their inspections. Prior to some inspections, the BFS perform plan reviews of grow, microbusiness, and processor license types due to the fire risks associated with growing and processing marijuana, along with the possible presence of a multitude of chemicals.

Like the MRA, the BFS inspectors and plan reviewers communicate with marijuana business applicants and licensees and perform inspections of the marijuana businesses in an effort to bring them into compliance with the NFPA 1 of 2018. Any deficiencies are noted, and a re-inspection will be scheduled until the licensee passes, or the BFS will advise the MRA that the business is out of compliance.

What role does a municipality play in the inspection process?

The local municipality's main role in state inspections is to issue a Certificate of Occupancy (or its equivalent) for the proposed marijuana business. Municipality personnel are always welcome to join the Marijuana Regulatory Agency and the Bureau of Fire Services inspections and they are always welcome to share any issues, concerns, or business deficiencies to MRA-Enforcement@michigan.gov.

Does a municipality need to provide an applicant for licensure with a certificate of occupancy?

Yes, or its equivalent. This document is required for a proposed marijuana business to pass Pre-Licensure inspections and receive a state license.

After an applicant is granted a license, does the Marijuana Regulatory Agency conduct additional inspections?

Yes. Please see the answer to the FAQ "When does the Marijuana Regulatory Agency (MRA) inspect a facility or establishment and what is included in the inspection?"

If a municipality adopts an ordinance regarding medical facilities or adult-use establishments, should the municipality submit a copy of the ordinance to the Marijuana Regulatory Agency (MRA)?

Yes. The MRA frequently updates documents located at www.michigan.gov/MRA that inform the public what municipalities do, or do not, permit regarding marijuana businesses.

Does the Marijuana Regulatory Agency (MRA) monitor licensees and enforce compliance with municipal and zoning ordinances?

The MRA does not enforce local municipal zoning ordinances. The MRA will, however, receive any report of non-compliance or judgment from local municipalities/courts and that information may have state licensing implications. Feel free to send this information to MRA-Enforcement@michigan.gov.

If a municipality determines that a licensee has violated a municipal ordinance, should the municipality report the violation to the Marijuana Regulatory Agency?

Yes. Please report the violations to MRA-Enforcement@michigan.gov.

Is a municipality responsible for enforcing licensee's compliance with the Medical Marijuana Facilities Licensing Act, Michigan Regulation and Taxation of Marijuana Act, and the administrative rules?

Municipalities can enforce state statutes, the jurisdiction of creating and enforcing the [administrative rules](#) is incumbent on the Marijuana Regulatory Agency.

If a municipality becomes aware of unlicensed or illegal marijuana operations, should the municipality report it to the Marijuana Regulatory Agency (MRA) or law enforcement?

The municipality is always free to inform state and local law enforcement. If they inform the MRA, we will forward this information to the Michigan State Police.

Recreational Marijuana Payments
Based on Marijuana Revenues Collected in Fiscal Year 2020
March 2021

Amount Available Per Marijuana Retail Store/Microbusiness **\$ 28,001.32**

<u>Municipality</u>	<u>Municipality</u>			<u>Number of</u>	<u>Payment</u>
<u>Number</u>	<u>Name</u>	<u>Municipality Type</u>	<u>County</u>	<u>Licenses</u> ⁽¹⁾	<u>Amount</u> ⁽²⁾
46-3010	Addison	Village	Lenawee	2	\$ 56,002.64
46-2010	Adrian	City	Lenawee	6	168,007.92
03-0000	Allegan	County	Allegan	1	28,001.32
80-1010	Almena	Township	Van Buren	1	28,001.32
81-2010	Ann Arbor	City	Washtenaw	17	476,022.44
35-1030	Baldwin	Township	Iosco	2	56,002.64
08-1020	Baltimore	Township	Barry	1	28,001.32
80-2010	Bangor	City	Van Buren	2	56,002.64
09-1010	Bangor	Township	Bay	10	280,013.20
08-0000	Barry	County	Barry	1	28,001.32
13-2020	Battle Creek	City	Calhoun	5	140,006.60
09-0000	Bay	County	Bay	15	420,019.80
09-2020	Bay City	City	Bay	3	84,003.96
10-0000	Benzie	County	Benzie	3	84,003.96
10-1020	Benzonia	Township	Benzie	3	84,003.96
11-0000	Berrien	County	Berrien	5	140,006.60
54-2010	Big Rapids	City	Mecosta	3	84,003.96
12-0000	Branch	County	Branch	1	28,001.32
80-3020	Breedsville	Village	Van Buren	1	28,001.32
11-2030	Buchanan	City	Berrien	3	84,003.96
25-2005	Burton	City	Genesee	5	140,006.60
13-0000	Calhoun	County	Calhoun	13	364,017.16
73-1100	Chesaning	Village	Saginaw	2	56,002.64
20-0000	Crawford	County	Crawford	2	56,002.64
70-1040	Crockery	Township	Ottawa	2	56,002.64
22-0000	Dickinson	County	Dickinson	1	28,001.32
03-2015	Douglas	City	Allegan	1	28,001.32
33-2010	East Lansing	City	Ingham	1	28,001.32
59-3010	Edmore	Village	Montcalm	1	28,001.32
13-1100	Emmett	Township	Calhoun	7	196,009.24
67-2010	Evart	City	Osceola	1	28,001.32
63-2060	Ferndale	City	Oakland	2	56,002.64
25-2040	Flint	City	Genesee	3	84,003.96
20-1020	Frederic	Township	Crawford	2	56,002.64
25-0000	Genesee	County	Genesee	10	280,013.20
62-2015	Grant	City	Newaygo	1	28,001.32
80-2030	Hartford	City	Van Buren	1	28,001.32
63-2070	Hazel Park	City	Oakland	3	84,003.96
30-0000	Hillsdale	County	Hillsdale	2	56,002.64
31-0000	Houghton	County	Houghton	1	28,001.32
31-2020	Houghton	City	Houghton	1	28,001.32
33-0000	Ingham	County	Ingham	11	308,014.52
82-2170	Inkster	City	Wayne	1	28,001.32
35-0000	Iosco	County	Iosco	2	56,002.64

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<u>Number</u>	<u>Name</u>	<u>Municipality Type</u>	<u>County</u>	<u>Licenses</u> ⁽¹⁾	<u>Amount</u> ⁽²⁾
22-2010	Iron Mountain	City	Dickinson	1	28,001.32
37-0000	Isabella	County	Isabella	1	28,001.32
38-0000	Jackson	County	Jackson	8	224,010.56
39-0000	Kalamazoo	County	Kalamazoo	12	336,015.84
39-2020	Kalamazoo	City	Kalamazoo	6	168,007.92
39-1070	Kalamazoo	Township	Kalamazoo	4	112,005.28
40-0000	Kalkaska	County	Kalkaska	3	84,003.96
40-3010	Kalkaska	Village	Kalkaska	3	84,003.96
41-0000	Kent	County	Kent	1	28,001.32
43-0000	Lake	County	Lake	1	28,001.32
33-2020	Lansing	City	Ingham	10	280,013.20
46-0000	Lenawee	County	Lenawee	12	336,015.84
38-1070	Leoni	Township	Jackson	6	168,007.92
41-1130	Lowell	City	Kent	1	28,001.32
51-0000	Manistee	County	Manistee	1	28,001.32
51-2010	Manistee	City	Manistee	1	28,001.32
52-0000	Marquette	County	Marquette	4	112,005.28
52-2020	Marquette	City	Marquette	1	28,001.32
54-0000	Mecosta	County	Mecosta	3	84,003.96
58-0000	Monroe	County	Monroe	1	28,001.32
59-0000	Montcalm	County	Montcalm	1	28,001.32
46-2030	Morenci	City	Lenawee	4	112,005.28
61-0000	Muskegon	County	Muskegon	5	140,006.60
61-2020	Muskegon	City	Muskegon	4	112,005.28
61-1120	Muskegon	Township	Muskegon	1	28,001.32
52-1100	Negaunee	Township	Marquette	2	56,002.64
62-0000	Newaygo	County	Newaygo	2	56,002.64
11-2060	Niles	City	Berrien	2	56,002.64
63-0000	Oakland	County	Oakland	7	196,009.24
71-2010	Onaway	City	Presque Isle	1	28,001.32
67-0000	Osceola	County	Osceola	1	28,001.32
70-0000	Ottawa	County	Ottawa	2	56,002.64
78-2040	Owosso	City	Shiawassee	2	56,002.64
38-1110	Parma	Township	Jackson	1	28,001.32
58-2040	Petersburg	City	Monroe	1	28,001.32
09-1120	Pinconning	Township	Bay	2	56,002.64
43-1110	Pleasant Plains	Township	Lake	1	28,001.32
39-2040	Portage	City	Kalamazoo	2	56,002.64
71-0000	Presque Isle	County	Presque Isle	2	56,002.64
38-1120	Pulaski	Township	Jackson	1	28,001.32
12-3010	Quincy	Village	Branch	1	28,001.32
30-2030	Reading	City	Hillsdale	2	56,002.64
82-2230	River Rouge	City	Wayne	4	112,005.28
71-1140	Rogers	Township	Presque Isle	1	28,001.32

Recreational Marijuana Payments
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<u>Municipality Number</u>	<u>Municipality Name</u>	<u>Municipality Type</u>	<u>County</u>	<u>Number of Licenses</u> ⁽¹⁾	<u>Payment Amount</u> ⁽²⁾
73-0000	Saginaw	County	Saginaw	2	56,002.64
52-1140	Sands	Township	Marquette	1	28,001.32
78-0000	Shiawassee	County	Shiawassee	2	56,002.64
13-1200	Tekonsha	Village	Calhoun	1	28,001.32
25-1170	Thetford	Township	Genesee	2	56,002.64
79-0000	Tuscola	County	Tuscola	3	84,003.96
80-0000	Van Buren	County	Van Buren	5	140,006.60
79-2010	Vassar	City	Tuscola	2	56,002.64
79-1200	Vassar	Township	Tuscola	1	28,001.32
63-2240	Walled Lake	City	Oakland	2	56,002.64
81-0000	Washtenaw	County	Washtenaw	22	616,029.04
82-0000	Wayne	County	Wayne	9	252,011.88
82-2300	Wayne	City	Wayne	4	112,005.28
62-2030	White Cloud	City	Newaygo	1	28,001.32
37-1160	Wise	Township	Isabella	1	28,001.32
81-1200	Ypsilanti	City	Washtenaw	5	140,006.60
Total					<u><u>\$ 9,968,469.92</u></u>

Totals by Municipality Type

<u>Municipality Type</u> ⁽³⁾	<u>Number of Municipalities</u>	<u>Number of Licenses</u>	<u>Total Amount Paid</u>
City	38	115	\$ 3,220,151.80
Village	7	11	308,014.52
Township	21	52	1,456,068.64
County	38	178	4,984,234.96
Total			<u><u>\$ 9,968,469.92</u></u>

⁽¹⁾ Number of Marijuana Retail Stores or Marijuana Microbusinesses located and licensed in the Municipality as of 9/30/2020. There were 178 Licenses as of 9/30/2020.

⁽²⁾ Payments based on Michigan Regulation and Taxation of Marijuana Act, Section 14 (3)(a) and (3)(b) (MCL 333.27964).

⁽³⁾ Tribal Governments do not qualify for distributions under MCL 333.27964.

County	Municipality	Grower-Class A	Grower-Class B	Grower-Class C	Processor	Retailer	Safety Compliance	Secure Transporter	Microbusiness	Event Organizers	Temporary Events	Designated Consumption Establishments
UPDATED: 5/28/2021												
Alger	Munising	no cap	no cap	no cap	no cap	no cap	no cap	no cap	no cap	no cap	no cap	no cap
	Munising Township					2				opt-out	opt-out	opt-out
Allegan	Allegan	no cap-zoning dependent	no cap-zoning dependent	no cap-zoning dependent	no cap-zoning dependent	no cap-zoning dependent	no cap-zoning dependent	no cap-zoning dependent	no cap-zoning dependent	opt-out	opt-out	opt-out
	Saugatuck Township	no cap	no cap	no cap	opt-out	no cap	no cap	opt-out	opt-out	opt-out	opt-out	opt-out
Bay	Bay City	25	25	25	25	50	25	25	25	opt-out	opt-out	opt-out
	Niles	no cap	no cap	no cap	no cap	4	no cap	no cap	4	no cap	no cap	3
Berrien	Benton Harbor	3	3	4	7	4	3	3	3	opt-out	opt-out	1
	Buchanan	5	5	5	5	5	5	5	1	1	1	2
Branch	Coldwater	unspecified-zoning dependent	unspecified-zoning dependent	unspecified-zoning dependent	unspecified-zoning dependent	unspecified-zoning dependent	unspecified-zoning dependent	unspecified-zoning dependent	unspecified-zoning dependent	opt-out	opt-out	opt-out
	Ovid Township	opt-out	opt-out	opt-out	opt-out	2	opt-out	opt-out	opt-out	opt-out	opt-out	opt-out
	Quincy, Village of		15		5	3		5	opt-out	opt-out	opt-out	opt-out
	Battle Creek	no cap	no cap	no cap	no cap	no cap	no cap	no cap	no cap	opt-out	opt-out	opt-out
Calhoun	Marengo Township	5	5	60	9	opt-out	1	1	opt-out	opt-out	opt-out	opt-out
	Marshall	no cap	no cap	no cap	no cap	opt-out	2	no cap	opt-out	opt-out	opt-out	opt-out
Cass	Marcellus Township	no cap	no cap	no cap	4 total between MMFLA and MRTMA	4 Total Licenses between Retailers and Provisioning Centers (MMFLA)	3 total between MMFLA and MRTMA	3 total between MMFLA and MRTMA	2	opt-out	opt-out	opt-out
	Penn Township	Outdoor Grows-no cap; Indoor Grows-6 locations			10	opt-out	no cap	no cap	10	opt-out	opt-out	opt-out
	Pickford Township	no cap	no cap	no cap	no cap	opt-out	5	5	opt-out	opt-out	opt-out	opt-out
Chippewa	Sault Ste. Marie	no cap	no cap	no cap	no cap	no cap	no cap	no cap	no cap	opt-out	opt-out	opt-out
Clare	Clare	no cap	no cap	no cap	no cap	opt-out	no cap	no cap	opt-out	opt-out	opt-out	opt-out
Clinton	DeWitt Charter Township	Restricted to Districts: I-L, I-H, I-P			Restricted to Districts: I-L, I-H, I-P	opt-out	Restricted to Districts: I-L, I-H, I-P	Restricted to Districts: I-L, I-H, I-P, BC	opt-out	opt-out	opt-out	opt-out
Dickinson	Iron Mountain	2			2	2	no cap	no cap	opt-out	opt-out	opt-out	opt-out
Eaton	Windsor Charter Township	10	10	100	10	opt-out	5	3	opt-out	opt-out	opt-out	opt-out
	Burton	no cap	no cap	no cap	no cap	no cap	no cap	no cap	no cap	opt-out	opt-out	opt-out
Genesee	Flint	no cap	no cap	no cap	no cap	no cap	no cap	no cap	opt-out	opt-out	opt-out	opt-out
Gladwin	Hay Township	opt-out	opt-out	opt-out	opt-out	1	opt-out	opt-out	opt-out	opt-out	opt-out	opt-out
Gogebic	Ironwood	2	2	2	2	2	no cap	no cap	2	opt-out	opt-out	opt-out
	Camden, Village of	no cap	no cap	no cap	6	5	6	6	2	opt-out	opt-out	opt-out
Hillsdale	Jefferson Township	2			opt-out	opt-out	1	1	2	opt-out	opt-out	opt-out
	Reading	no cap	no cap	no cap	5	3	5	5	1	opt-out	opt-out	opt-out
Houghton	Calumet Charter Township	opt-out	opt-out	opt-out	opt-out	opt-out	opt-out	opt-out	3	opt-out	opt-out	opt-out
	Houghton	opt-out	opt-out	opt-out	opt-out	1	opt-out	opt-out	opt-out	opt-out	opt-out	opt-out
Ingham	East Lansing	no cap	no cap	no cap	no cap	no cap	no cap	no cap	opt-out	opt-out	opt-out	opt-out
	Lansing	75			no cap	28	no cap	no cap	1 per ward	opt-out	opt-out	1 per ward
	Easton Township	opt-out	opt-out	2	2	1	3	2	opt-out	opt-out	opt-out	opt-out
Ionia	Ionia	no cap	no cap	no cap	no cap	no cap	no cap	no cap	opt-out	opt-out	opt-out	opt-out
	Saranac, Village of	no cap	no cap	no cap	no cap	no cap	no cap	no cap	no cap	opt-out	opt-out	opt-out
Iosco	AuSable Charter Township	1	opt-out	opt-out	1	1	1	1	opt-out	opt-out	opt-out	opt-out
Iron	Crystal Falls	no cap	no cap	no cap	no cap	2	no cap	no cap	2	opt-out	opt-out	opt-out
Isabella	Mount Pleasant	5	3			no cap	3	no cap	2	opt-out	opt-out	opt-out
	Wise Township	2	3	8	4	5	1	3	3	opt-out	opt-out	3
	Jackson	2	2	opt-out	opt-out	3	2	2	2	opt-out	opt-out	opt-out
Jackson	Parma Township	opt-out	opt-out	2	2	2	opt-out	2	opt-out	opt-out	no cap	opt-out
	Pulaski Township	opt-out	opt-out	30	7	1	2	2	opt-out	opt-out	opt-out	opt-out
	Kalamazoo	no cap	no cap	no cap	no cap	no cap	no cap	no cap	no cap	opt-out	opt-out	opt-out
Kalamazoo	Kalamazoo Charter Township	no cap	no cap	no cap	no cap	no cap	opt-out	no cap	opt-out	no cap	opt-out	opt-out
	Portage	no cap	no cap	no cap	no cap	no cap	no cap	no cap	no cap	opt-out	opt-out	opt-out
Kalkaska	Kalkaska, Village of	no cap- zoning dependent			no cap- zoning dependent	8	no cap	no cap	3	opt-out	opt-out	opt-out
	Cedar Springs	no cap	no cap	no cap	no cap	no cap	opt-out	no cap	no cap	opt-out	opt-out	opt-out
Kent	Grand Rapids	no cap	no cap	no cap	no cap	no cap	no cap	no cap	no cap	opt-out	opt-out	opt-out
	Lowell	no cap	no cap	no cap	no cap	no cap	no cap	no cap	no cap	opt-out	opt-out	opt-out
Lapeer	Lapeer	no cap	no cap	no cap	no cap	6	no cap	no cap	opt-out	opt-out	opt-out	opt-out
Leelanau	Northport, Village of	opt-out	opt-out	opt-out	1	2	1	1	opt-out	opt-out	opt-out	opt-out
	Addison, Village of	30			4	3	2	2	opt-out	opt-out	opt-out	opt-out
Lenawee	Adrian	no cap	no cap	no cap	no cap	10	no cap	no cap	opt-out	opt-out	opt-out	opt-out
	Morenci	no cap	no cap	no cap	no cap	5	no cap	no cap	opt-out	opt-out	opt-out	opt-out
Livingston	Pinckney, Village of	1	1	1	1	2	1	1	1	opt-out	opt-out	1
	Clark Township	opt-out	opt-out	opt-out	no cap	opt-out	no cap	no cap	no cap	opt-out	opt-out	opt-out
Mackinac	Garfield Township	1			1	opt-out	2	2	opt-out	opt-out	opt-out	opt-out
	Center Line	5	5	20	15	15	15	15	5	opt-out	opt-out	opt-out
Macomb	Memphis	1 Total license between MMFLA and MRTMA	1 Total license between MMFLA and MRTMA		1 Total license between MMFLA and MRTMA	1	1 Total license between MMFLA and MRTMA		1 Total license between MMFLA and MRTMA	opt-out	opt-out	opt-out
	Warren	no cap	no cap	no cap	no cap	opt-out	no cap	no cap	opt-out	opt-out	opt-out	opt-out
Manistee	Brown Township	unspecified	unspecified	unspecified	unspecified	opt-out	unspecified	unspecified	opt-out	opt-out	opt-out	opt-out
	Manistee	12			12	3	2	2	3	opt-out	opt-out	opt-out
Marquette	Marquette	no cap-zoning	no cap-zoning dependent	no cap-zoning	no cap-zoning dependent	no cap-zoning	no cap-zoning dependent	no cap-zoning dependent	no cap-zoning	no cap-zoning	no cap-zoning	no cap-zoning
	Negaunee	no cap	no cap	no cap	no cap	1 per 2500 residents	no cap	no cap	1 per 2500 residents	opt-out	opt-out	opt-out
Mecosta	Big Rapids	no cap	no cap	no cap	no cap	no cap	no cap	no cap	no cap	opt-out	opt-out	opt-out
Missaukee	Norwich Township	opt-out	opt-out	opt-out	opt-out	1	opt-out	opt-out	opt-out	opt-out	opt-out	opt-out
Monroe	Monroe Charter Township	Allowed to be located within (i) L-1 (light industrial) zoned districts or (ii)			unspecified	unspecified	unspecified	unspecified	unspecified	opt-out	opt-out	opt-out
	Petersburg	2			2	2	2	2	opt-out	opt-out	opt-out	opt-out

Montcalm	Crystal Township	opt-out	opt-out	opt-out	opt-out	4 Total Licenses between Retailers, Microbusinesses and Provisioning Centers (MMFLA)	opt-out	opt-out	4 Total Licenses between Retailers, Microbusinesses and Provisioning Centers (MMFLA)	opt-out	opt-out	opt-out
	Edmore, Village of		2		2	1	4	4	1	opt-out	opt-out	opt-out
Muskegon	Muskegon	unspecified	unspecified	unspecified	unspecified	unspecified	unspecified	unspecified	unspecified	opt-out	opt-out	unspecified
	Muskegon Charter Township	no cap	no cap	no cap	no cap	7	no cap	no cap	opt-out	opt-out	opt-out	opt-out
Newaygo	Grant	opt-out	opt-out	opt-out	opt-out	1	1	1	opt-out	opt-out	opt-out	opt-out
	White Cloud	no cap	no cap	no cap	no cap	no cap	no cap	no cap	no cap	opt-out	opt-out	opt-out
	Berkley	opt-out	opt-out	opt-out	opt-out	1	opt-out	opt-out	opt-out	opt-out	opt-out	opt-out
	Ferndale	opt-out	opt-out	opt-out	opt-out	3	1	opt-out	opt-out	opt-out	opt-out	opt-out
Oakland	Lake Orion, Village of	opt-out	opt-out	opt-out	opt-out	2 Total for Retailer and Provisioning Centers	opt-out	opt-out	opt-out	opt-out	opt-out	opt-out
	Orion Charter Township	opt-out	opt-out	6	2	opt-out	2	2	opt-out	opt-out	opt-out	opt-out
	Royal Oak	1	1	1	1	2	1	1	opt-out	opt-out	opt-out	opt-out
Oceana	Leavitt Township	10	10	2	no cap	2	no cap	no cap	5	opt-out	opt-out	opt-out
	Newfield Township	10	10	10	2	opt-out	2	2	opt-out	opt-out	opt-out	opt-out
Osceola	Ewart		2		2	2	2	2	2	opt-out	opt-out	opt-out
Oscoda	Big Creek Township	5	5	5	5	2 (must be co-located facilities)	5	5	opt-out	opt-out	opt-out	opt-out
Ottawa	Crockery Township		2		1	2	1	1	opt-out	opt-out	opt-out	opt-out
Presque Isle	Rogers Township	opt-out	1 per MMFLA Grower Class A or B Permit Holder	1 per MMFLA Grower Class A or B or Up to 5 per MMFLA Grower Class C Permit Holder	1	1	no cap	1	opt-out	opt-out	opt-out	opt-out
Roscommon	Markey Township	3 Total licenses between MMFLA and MRTMA	3 Total licenses between MMFLA and MRTMA	3 Total licenses between MMFLA and MRTMA	2 Total licenses between MMFLA and MRTMA	opt-out	2 Total licenses between MMFLA and MRTMA	2 Total licenses between MMFLA and MRTMA	opt-out	opt-out	opt-out	opt-out
Saginaw	Saginaw	no cap	no cap	no cap	no cap	no cap	no cap	no cap	opt-out	opt-out	opt-out	opt-out
Shiawassee	Laingsburg	opt-out	opt-out	opt-out	2	2	2	2	opt-out	opt-out	opt-out	opt-out
	Owosso	no cap	no cap	no cap	no cap	4	no cap	no cap	opt-out	opt-out	opt-out	opt-out
St. Claire	Port Huron	5	5	5	3	7	1	1	3	opt-out	opt-out	1
	Constantine, Village of		3		1	3	opt-out	no cap	2	opt-out	opt-out	opt-out
St. Joseph	Sturgis	no cap	no cap	no cap	no cap	Retailers in B-H 1 Zoning District: 3 Retailers in M Zoning District: no cap	no cap	no cap	M Zoning District: no cap	opt-out	opt-out	opt-out
Tuscola	Vassar Township	opt-out	1 per Class A or Class B Medical Facility Permit holders	1 per Class A or Class B Permit holders or 2 per Class C Medical Facility Permit holders	1 per MMFLA Processor Permit holder	1 per MMFLA Provisioning Center Permit Holder	no cap	1 per MMFLA Secure Transporter Permit Holder	opt-out	opt-out	opt-out	opt-out
Van Buren	Arlington Township	100 Total for MMFLA and MRTMA			10	2 Total for Retailer and Provisioning Centers	opt-out	opt-out	opt-out	opt-out	opt-out	opt-out
	Decatur, Village of	no cap	no cap	no cap	no cap	no cap	no cap	no cap	no cap	opt-out	opt-out	opt-out
	Lawrence Township	3	3	3	3	opt-out	3	3	opt-out	opt-out	opt-out	opt-out
	Paw Paw Township	no cap	no cap	no cap	no cap	3	no cap	no cap	3	opt-out	opt-out	opt-out
	Waverly Township	3	3	10	10	opt-out	3	3	3	opt-out	opt-out	opt-out
Washtenaw	Ypsilanti	no cap	no cap	no cap	no cap	10	no cap	no cap	no cap	opt-out	opt-out	no cap
Wexford	Cadillac	1	1	1	1	2	1	1	1	opt-out	opt-out	opt-out
	Belleville	5	2	5	3	4	1	1	2	opt-out	opt-out	1
	Detroit	no cap	no cap	no cap	no cap	75	no cap	no cap	35	no cap	no cap	35
Wayne	Highland Park	4 total between MMFLA and MRTMA	4 total between MMFLA and MRTMA	5 total between MMFLA and MRTMA	4 total between MMFLA and MRTMA	5	1 total between MMFLA and MRTMA	1 total between MMFLA and MRTMA	3	opt-out	opt-out	3
	Wayne	1			1	4 total; 1 per MMFLA	1	1	opt-out	opt-out	opt-out	opt-out
	Westland	3 Collocated Facilities				2	1	1	1	opt-out	opt-out	opt-out



Monthly Report

June 1, 2021 – June 30, 2021



Governor
Gretchen Whitmer



Executive Director
Andrew Brisbo



Director
Orlene Hawks

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Medical Marijuana Facility Licensing

1. Product Sales

Sales by Product Type			
June 1 - June 30			
Product Type	Pounds Sold	Fluid Ounces Sold	Total Sales
Flower	6,154.80		\$20,666,964.45
Shake/Trim	728.05		\$1,621,999.66
Concentrate	293.05		\$3,579,984.22
Vape Cartridge	870.21		\$10,689,565.87
Kief	1.95		\$10,872.58
Infused-Edible	36,587.88		\$4,562,014.32
Infused Non-Edible Solid	540.78		\$214,944.84
Infused Liquid		15,352.37	\$288,687.75
Infused Non-Edible Liquid		876.39	\$18,073.43
June Total	45,176.72	16,228.76	\$41,653,107.12

Additional Sales Information	
June 1 - June 30	
Category	Amount
Sales To Date (Jun. 30)	\$1,045,932,187.47
Sales Deliveries	\$1,552,072.17
Average Retail Flower Price (oz.)	\$209.87

2. Plants

Plants	
Active Plants	
As of June 30, 2021	
Plant State	Number
Immature	186,258
Vegetative	93,258
Flowering	142,592

Destroyed & Harvested Plants	
June 1 – June 30	
Plant State	Number
Immature - Destroyed	47,281
Vegetative - Destroyed	12,298
Flowering - Destroyed	2,492
Plants Harvested	54,295

3. Packages and Inventory

Packages	
As of June 30, 2021	
Package State	Number
Active	374,296
On Hold	1,603
In Transit	4,526
June 1 – June 30	
Package State	Number
Finished	371,659

Inventory	
As of June 30, 2021	
Category	Amount (lbs.)
Flower at Growers (Test Passed)	10,725.15
Flower at Provisioning Centers	43,682.48
Flower at Processors	32,682.62
Fresh Frozen Flower at Processors	5,264.28
Concentrates at Processors	12,259.25
Infused Solids at Processors	151,285.28
Infused Liquids at Processors (Fl. Oz.)	668,281.32

4. Transfers

Products Shipped		
June 1 - June 30		
License Type	Pounds Shipped	Fluid Ounces Shipped
Grower Class A	1,936.33	0
Grower Class B	1,010.61	0
Grower Class C	31,989.46	624.87
Processor	63,861.39	37,818.73
Provisioning Center	1,664.84	661.57
Safety Compliance Facility	0.49	0
Secure Transporter	74,630.15	33,054.86

Transfers	
June 1 – June 30	
Transfer Type	Number
Completed	9,482
Voided	62

5. Initial Applications

Initial Applications			
June 1 - June 30			
License Type	Received	Approved	Denied
Prequalification	48	46	1
Grower Class A	5	4	0
Grower Class B	0	1	0
Grower Class C	57	65	0
Processor	4	2	0
Provisioning Center	15	9	0
Safety Compliance Facility	1	2	0
Secure Transporter	0	0	0
Total	130	129	1

6. Renewal Applications

Renewal Applications			
June 1 - June 30			
License Type	Received	Approved	Denied
Grower Class A	1	5	0
Grower Class B	0	0	0
Grower Class C	24	8	0
Processor	7	5	0
Provisioning Center	31	35	0
Safety Compliance Facility	1	2	0
Secure Transporter	0	5	0
Total	64	60	0

7. Application Processing Time

Application Processing Time (Calendar Days)		
June 1 - June 30		
License Type	Initial Applications	Renewal Applications
Prequalification	63.54	--
Grower Class A	78.00	36.60
Grower Class B	29.00	--
Grower Class C	39.52	34.25
Processor	34.20	130.00
Provisioning Center	51.11	41.54
Safety Compliance Facility	24.50	63.00
Secure Transporter	--	37.60
June Step 2 Average	44.33	--
June Total Average	54.96	39.93

8. Actions Taken by the MRA

Disciplinary Actions Taken by the MRA			
June 1 - June 30			
License Type	Warning	Formal Complaint	Final Order
Grower Class A	0	1	1
Grower Class B	0	0	0
Grower Class C	3	5	0
Processor	0	3	0
Provisioning Center	4	5	2
Safety Compliance Facility	0	1	0
Secure Transporter	0	0	0

9. Complaints and Investigations

Complaints and Investigations	
June 1 - June 30	
Enforcement & Legal Data	Amount
Number of Complains Received	81
Number of Investigations Opened	65
Number of Investigations Closed	58
Average Time to Complete an Investigation (Calendar Days)	60
Number of Enforcement Actions Taken*	37
* Includes both MMFL and AU data	

10. Number of Administrative Hearing Adjudications

Number of administrative hearing adjudications pertaining to each regulated activity.

Provided are all final orders for denials.

Approximate Amounts: 0

Number of administrative hearings pertaining to each regulated activity.

Provided are all the hearings that have been involved with the MRA, e.g., denials, lawsuits, etc.

Approximate Amounts:

Denials: 3

Litigation: 1

Circuit Court Appeals: 0

11. Revenue and Expenses

Application Fees	
June 1 - June 30	
Amount	
June	\$312,000

Regulatory Assessment Fees								
June 1 - June 30								
	Grower Class A	Grower Class B	Grower Class C	Processor	Provisioning Center	Safety Compliance Facility	Secure Transporter	Total
June	\$28,748	\$14,000	\$1,067,720	\$39,699	\$123,195	\$0	\$0	\$1,273,362

Renewal								
June 1 - June 30								
	Grower Class A	Grower Class B	Grower Class C	Processor	Provisioning Center	Safety Compliance Facility	Secure Transporter	Total
June	\$0	\$0	\$448,000	\$154,000	\$363,125	\$0	\$0	\$965,125

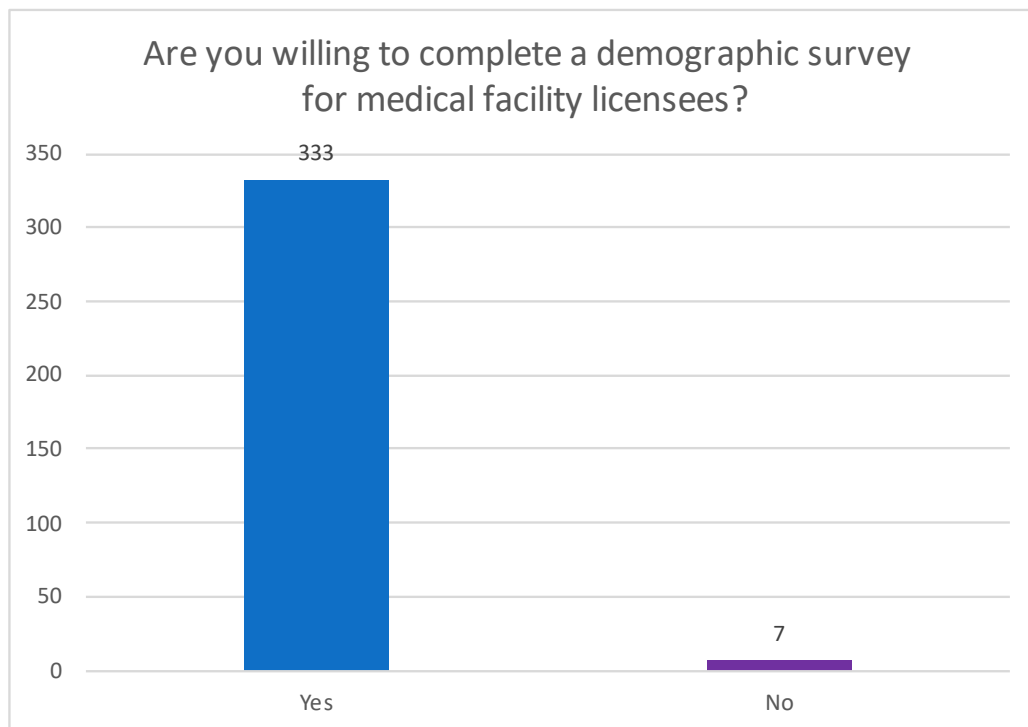
Total Licensing Revenue Collected	
June 1 - June 30	
Amount	
June	\$2,550,487

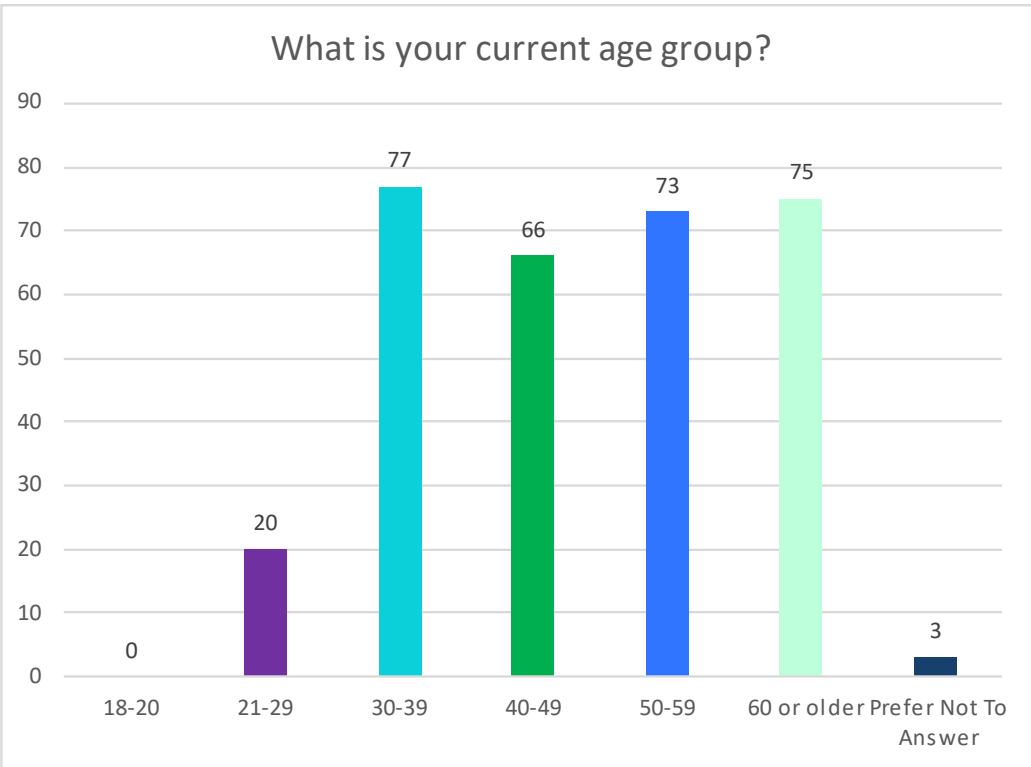
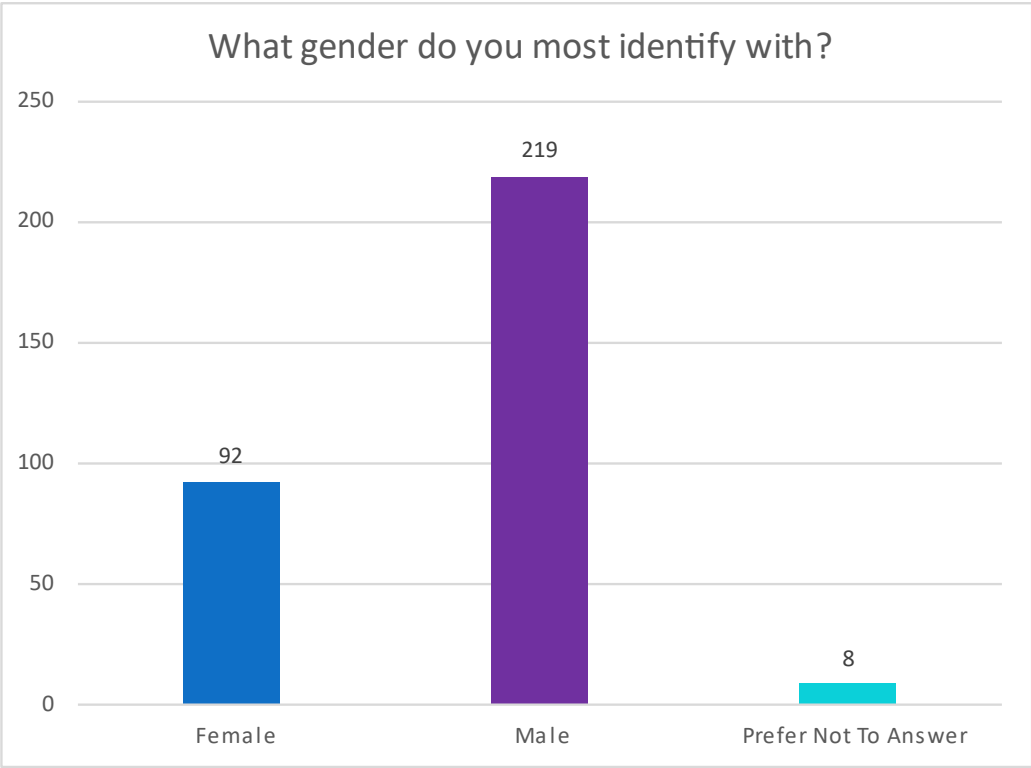
Expenses	
June 1 - June 30	
Amount	
State Employee Wages	Pending
State Employee Benefits	Pending
Materials and Equipment	Pending
Other Contracts	Pending
All Other Costs	Pending
June Total	

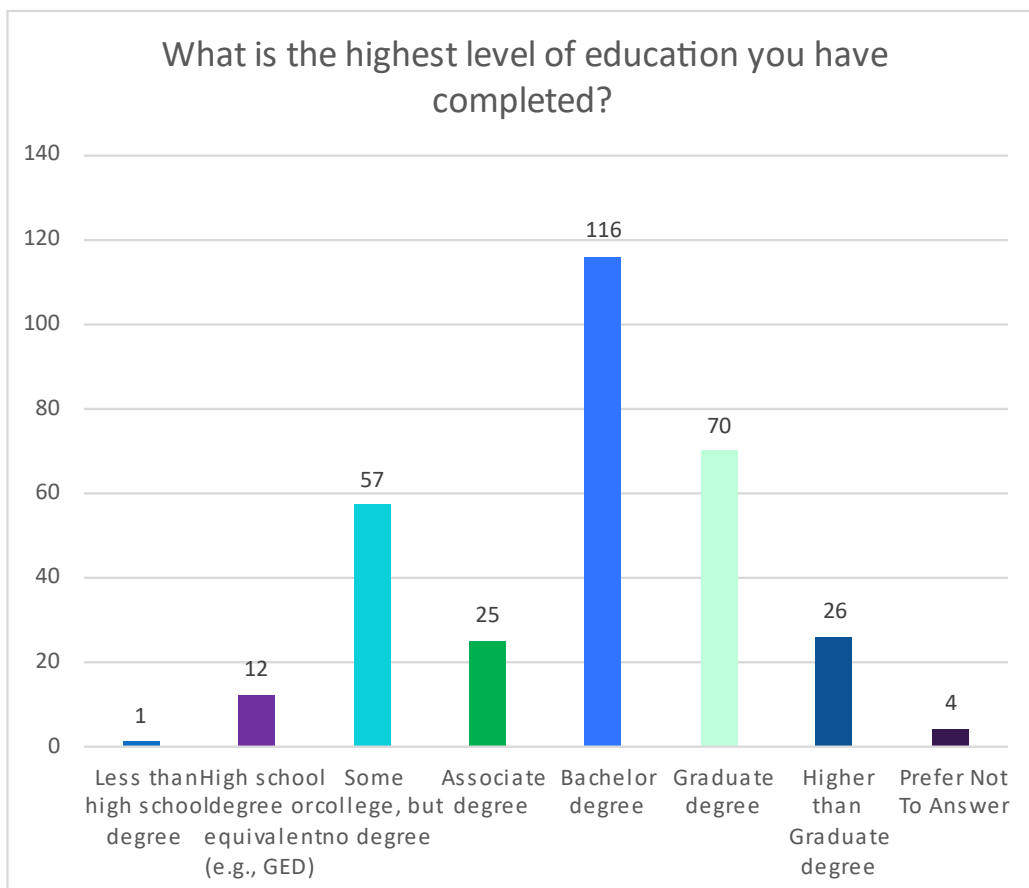
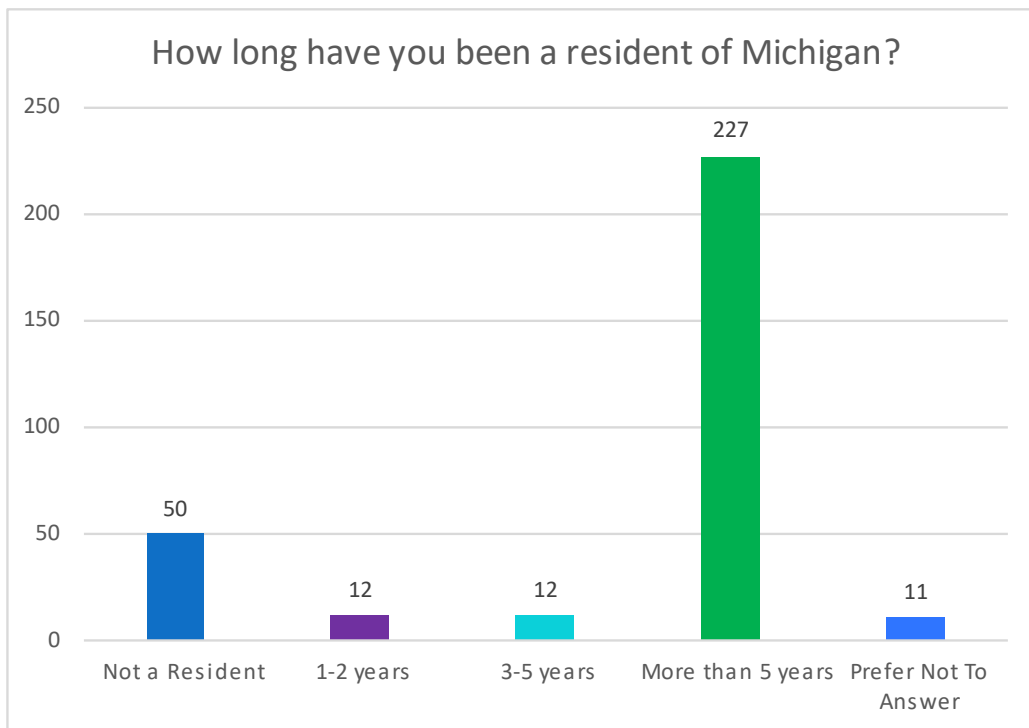
12. Municipalities Opting In to the MMFLA

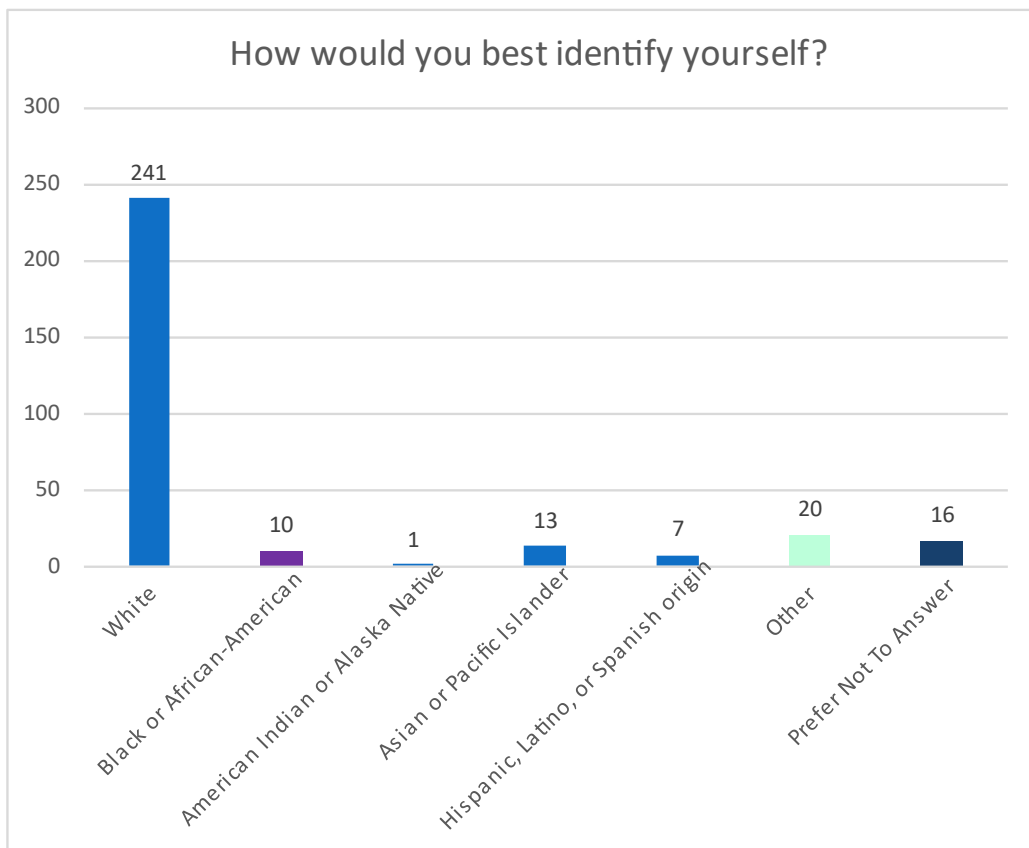
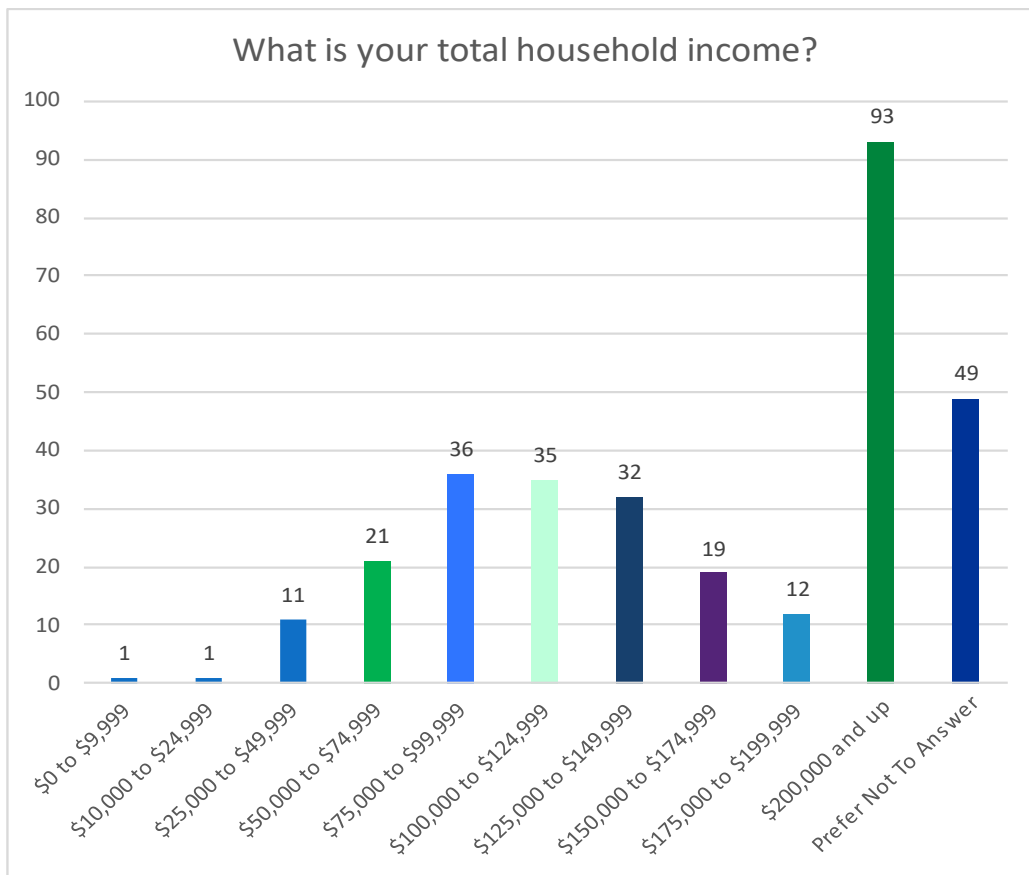
Municipalities
As of June 30, 2021
Opting In
156

13. Demographic Information









Adult-Use Establishment Licensing

1. Product Sales

Sales by Product Type			
June 1 - June 30			
Product Type	Pounds Sold	Fluid Ounces Sold	Total Sales
Flower	16,436.70		\$55,180,849.73
Shake/Trim	4,181.80		\$7,427,751.70
Concentrate	450.96		\$7,473,456.34
Vape Cartridge	1,316.04		\$20,995,702.87
Kief	1.39		\$14,208.05
Infused-Edible	93,815.43		\$15,296,067.63
Infused Non-Edible Solid	719.20		\$415,513.62
Infused Liquid		22,667.99	\$474,566.20
Infused Non-Edible Liquid		2,935.01	\$81,893.11
June Total	116,921.52	25,603.00	\$107,360,009.25

Additional Sales Information	
June 1 - June 30	
Category	Amount
Sales To Date (Jun. 30)	\$1,074,277,260.44
Sales Deliveries	\$3,013,988.40
Average Retail Flower Price (oz.)	\$209.82

2. Plants

Plants	
Active Plants	
As of June 30, 2021	
Plant State	Number
Immature	104,286
Vegetative	137,386
Flowering	162,692

Destroyed & Harvested Plants	
June 1 – June 30	
Plant State	Number
Immature - Destroyed	37,387
Vegetative - Destroyed	12,582
Flowering - Destroyed	3,692
Plants Harvested	81,285

3. Packages and Inventory

Packages	
As of June 30, 2021	
Package State	Number
Active	356,287
On Hold	218
In Transit	9,245
June 1 – June 30	
Package State	Number
Finished	601,295

Inventory	
As of June 30, 2021	
Category	Amount (lbs.)
Flower at Growers (Test Passed)	17,583.29
Flower at Retailers	22,162.72
Flower at Processors	25,181.63
Fresh Frozen Flower at Processors	7,291.19
Concentrates at Processors	11,258.87
Infused Solids at Processors	190,286.03
Infused Liquids at Processors (Fl. Oz.)	125,286.02

4. Transfers

Shipped Products		
June 1 - June 30		
License Type	Shipped Pounds	Fluid Ounces Shipped
Class A Marijuana Grower	.51	0
Class B Marijuana Grower	1,287.92	0
Class C Marijuana Grower	44,582.43	1,115.85
Excess Grower	7,122.07	29.76
Microbusiness	.40	0
Processor	139,613.49	47,721.55
Retailer	5,708.20	1,778.97
Safety Compliance Facility	.94	0
Secure Transporter	174,742.83	43,601.01

Transfers	
June 1 – June 30	
Transfer Type	Number
Completed	13,587
Voided	72

5. Initial Applications

	Initial Applications		
	June 1 - June 30		
	Applications Received	Licenses Issued	Licenses Denied
Prequalification	150	177	0
Class A Marijuana Grower	1	1	0
Class B Marijuana Grower	6	2	0
Class C Marijuana Grower	67	48	0
Designated Consumption Establishment	0	0	0
Marijuana Event Organizer	0	0	0
Excess Grower	32	7	0
Microbusiness	0	0	0
Processor	9	2	0
Retailer	32	14	0
Safety Compliance Facility	2	1	0
Secure Transporter	0	0	0
Temporary Marijuana Event	1	0	0
Social Equity Class A Marijuana Grower	0	0	0
Social Equity Class B Marijuana Grower	1	1	0
Social Equity Class C Marijuana Grower	4	10	0
Social Equity Designated Consumption Establishment	0	0	0
Social Equity Marijuana Event Organizer	0	0	0
Social Equity Excess Grower	0	0	0
Social Equity Microbusiness	0	0	0
Social Equity Processor	3	1	0
Social Equity Retailer	0	2	0
Social Equity Safety Compliance Facility	0	0	0
Social Equity Secure Transporter	0	0	0
Social Equity Marijuana Temporary Event	0	0	0
June Total	308	266	0

6. Renewal Applications

	Renewal Applications		
	June 1 - June 30		
	Applications Received	Licenses Issued	Licenses Denied
Class A Marijuana Grower	0	0	0
Class B Marijuana Grower	4	0	0
Class C Marijuana Grower	14	12	0
Designated Consumption Establishment	0	0	0
Marijuana Event Organizer	0	0	0
Excess Grower	11	0	0
Microbusiness	0	0	0
Processor	3	4	0
Retailer	26	4	0
Safety Compliance Facility	1	1	0
Secure Transporter	0	1	0
Temporary Marijuana Event	0	0	0
Social Equity Class A Marijuana Grower	0	0	0
Social Equity Class B Marijuana Grower	0	0	0
Social Equity Class C Marijuana Grower	0	0	0
Social Equity Designated Consumption Establishment	0	0	0
Social Equity Marijuana Event Organizer	0	0	0
Social Equity Excess Grower	0	0	0
Social Equity Microbusiness	0	0	0
Social Equity Processor	0	0	0
Social Equity Retailer	0	0	0
Social Equity Safety Compliance Facility	0	0	0
Social Equity Secure Transporter	0	0	0
Social Equity Marijuana Temporary Event	0	0	0
June Total	59	22	0

7. Application Processing Time

Application Processing Days (Calendar Days)		
June 1 - June 30		
License Type	Initial Applications	Renewal Applications
Prequalification	72.94	--
Class A Marijuana Grower	85.00	--
Class B Marijuana Grower	74.50	--
Class C Marijuana Grower	39.52	28.42
Designated Consumption Establishment	--	--
Marijuana Event Organizer	--	--
Excess Grower	48.86	--
Microbusiness	--	--
Processor	31.50	20.00
Retailer	36.07	28.50
Safety Compliance Facility	23.00	29.00
Secure Transporter	--	27.00
Temporary Marijuana Event	--	--
Social Equity Class A Marijuana Grower	--	--
Social Equity Class B Marijuana Grower	39.00	--
Social Equity Class C Marijuana Grower	46.60	--
Social Equity Designated Consumption Establishment	--	--
Social Equity Marijuana Event Organizer	--	--
Social Equity Excess Grower	--	--
Social Equity Microbusiness	--	--
Social Equity Processor	48.00	--
Social Equity Retailer	40.00	--
Social Equity Safety Compliance Facility	--	--
Social Equity Secure Transporter	--	--
Social Equity Temporary Marijuana Event	--	--
June Step 2 Average	41.54	--
June Total Average	75.02	24.54

8. Actions Taken by the MRA

Disciplinary Actions Taken by the MRA			
June 1 - June 30			
License Type	Warning	Formal Complaint	Final Order
Class A Marijuana Grower	0	0	0
Class B Marijuana Grower	0	0	0
Class C Marijuana Grower	1	5	0
Designated Consumption Establishment	0	0	0
Marijuana Event Organizer	0	0	0
Excess Grower	0	0	0
Microbusiness	0	0	0
Processor	0	0	0
Retailer	3	5	2
Safety Compliance Facility	0	0	0
Secure Transporter	0	1	0
Temporary Marijuana Event	0	0	0

9. Applications not Processed within Established Time Requirements

Applications Not Timely Processed	
June 1 - June 30	
Initial	Renewal
0%	0%

10. Complaints and Investigations

Complaints and Investigations	
June 1 - June 30	
Enforcement & Legal Data	Amount
Number of Complaints Received	69
Number of Investigations Opened	52
Number of Investigations Closed	44
Average Time to Complete an Investigation (Calendar Days)	31
Number of Enforcement Actions Taken*	37
* Includes both MMFL and AU data	

11. Number of Administrative Hearing Adjudications

Number of administrative hearing adjudications pertaining to each regulated activity.

Provided are all final orders for denials.

Approximate Amounts: 0

Number of administrative hearings pertaining to each regulated activity.

"Regulated activity" means the particular activities, entities, facilities, and industries regulated by the agencies. Provided are all the hearings that have been involved with the MRA, e.g., denials, lawsuits, etc.

Approximate Amounts:

Denials: 3

Litigation: 1

Circuit Court Appeals: 0

12. Revenue and Expenses

Application Fees			
June 1 - June 30			
	Prequalification	Social Equity Prequalification	Total
June	\$732,000	\$110,100	\$842,100

Regulatory Assessment Fees								
June 1 - June 30								
	Class A Marijuana Grower	Class B Marijuana Grower	Class C Marijuana Grower	Designated Consumption Establishment	Marijuana Event Organizer	Excess Grower	Microbusiness	Processor
June	\$4,570	\$16,000	\$1,896,877	\$0	\$0	\$258,411	\$0	\$66,630
	Retailer	Safety Compliance Facility	Secure Transporter	Temporary Marijuana Event	Social Equity Class A Marijuana Grower	Social Equity Class B Marijuana Grower	Social Equity Class C Marijuana Grower	Social Equity Designated Consumption Establishment
June	\$279,451	\$25,000	\$0	\$0	\$0	\$7,200	\$77,042	\$0
	Social Equity Marijuana Event Organizer	Social Equity Excess Grower	Social Equity Microbusiness	Social Equity Processor	Social Equity Retailer	Social Equity Safety Compliance Facility	Social Equity Secure Transporter	Social Equity Temporary Marijuana Event
June	\$0	\$0	\$0	\$24,000	\$29,229	\$0	\$0	\$0
Total Regulatory Assessment Fees								
June	\$2,684,410							

Renewal Fees								
June 1 - June 30								
	Class A Marijuana Grower	Class B Marijuana Grower	Class C Marijuana Grower	Designated Consumption Establishment	Marijuana Event Organizer	Excess Grower	Microbusiness	Processor
June	\$4,667	\$24,000	\$420,000	\$0	\$0	\$330,000	\$0	\$90,000
	Retailer	Safety Compliance Facility	Secure Transporter	Temporary Marijuana Event	Social Equity Class A Marijuana Grower	Social Equity Class B Marijuana Grower	Social Equity Class C Marijuana Grower	Social Equity Designated Consumption Establishment
June	\$500,000	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0
	Social Equity Marijuana Event Organizer	Social Equity Excess Grower	Social Equity Microbusiness	Social Equity Processor	Social Equity Retailer	Social Equity Safety Compliance Facility	Social Equity Secure Transporter	Social Equity Temporary Marijuana Event
June	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Renewal Fees								
June	\$1,388,667							

Total Licensing Revenue Collected	
June 1 - June 30	
Amount	
June	\$4,915,177

Expenses	
June 1 - June 30	
Amount	
State Employee Wages	Pending
State Employee Benefits	Pending
Materials and Equipment	Pending
Other Contracts	Pending
All Other Costs	Pending
June Total	

13. Social Equity Applications

Social Equity Applications			
June 1 - June 30			
	Received	Eligible	Ineligible
June	50	48	15

14. Social Equity Education & Outreach

Outreach Sessions	
June 1 - June 30	
Sessions Held	
June	3

15. Social Equity Application Assistance Provided

Application Assistance Provided	
June 1 - June 30	
Number of Times	
June	22

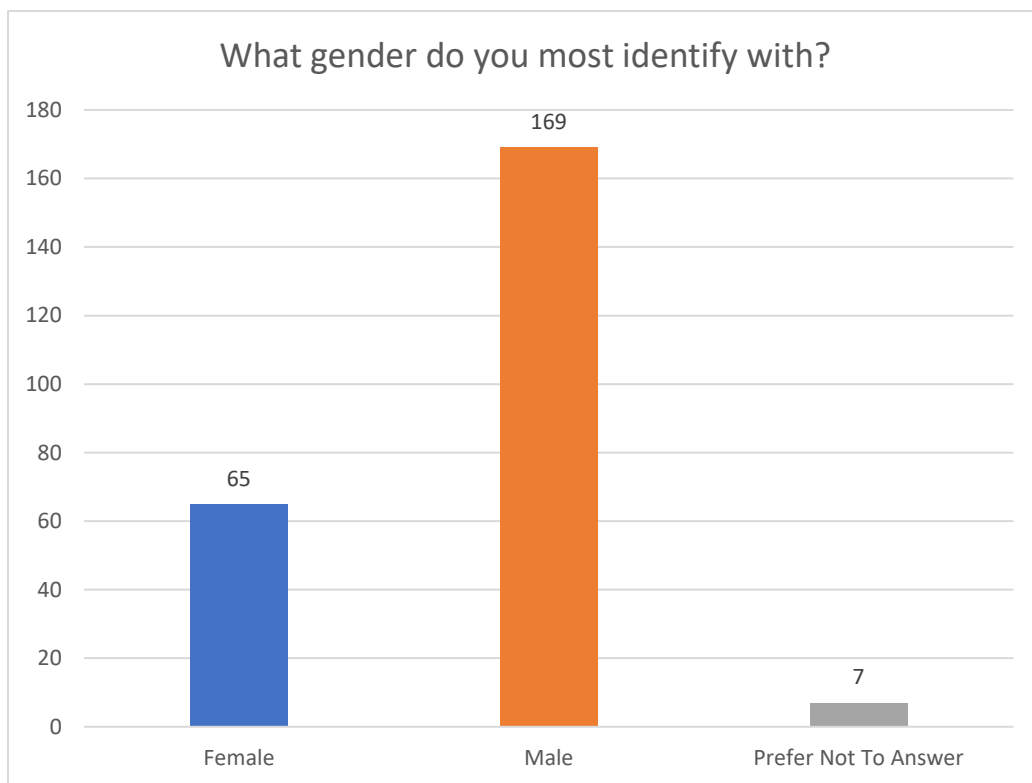
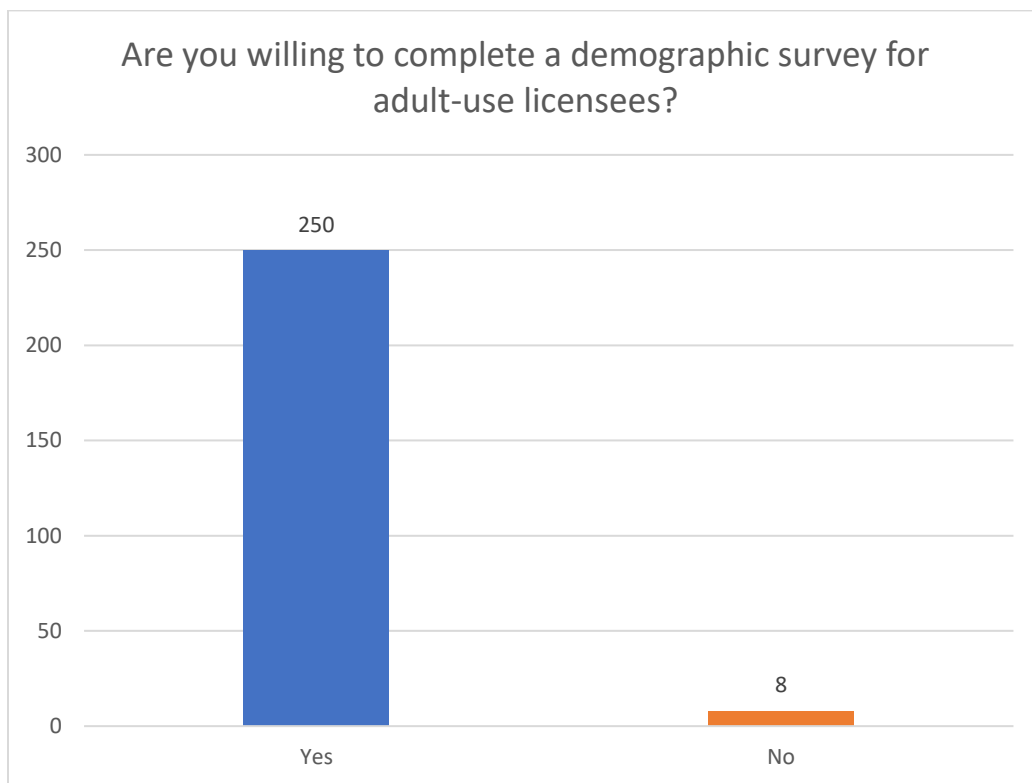
16. Municipalities Opting In or Out of MRTMA

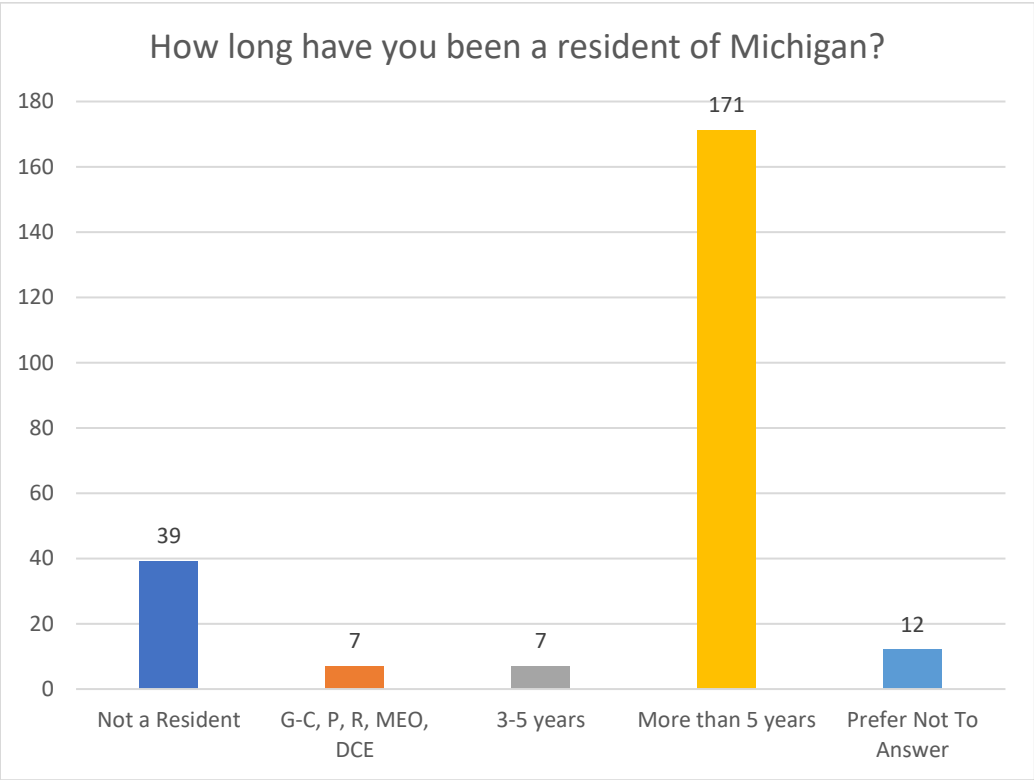
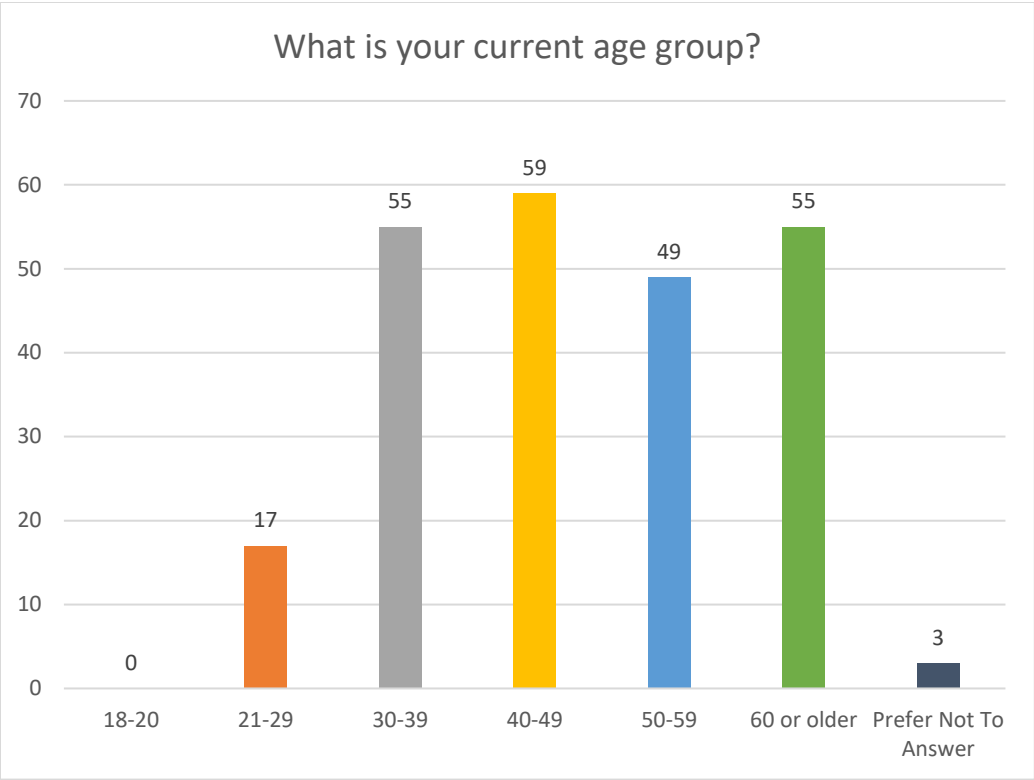
Municipalities	
As of June 30, 2021	
Opting In	Opting Out
106	1,397

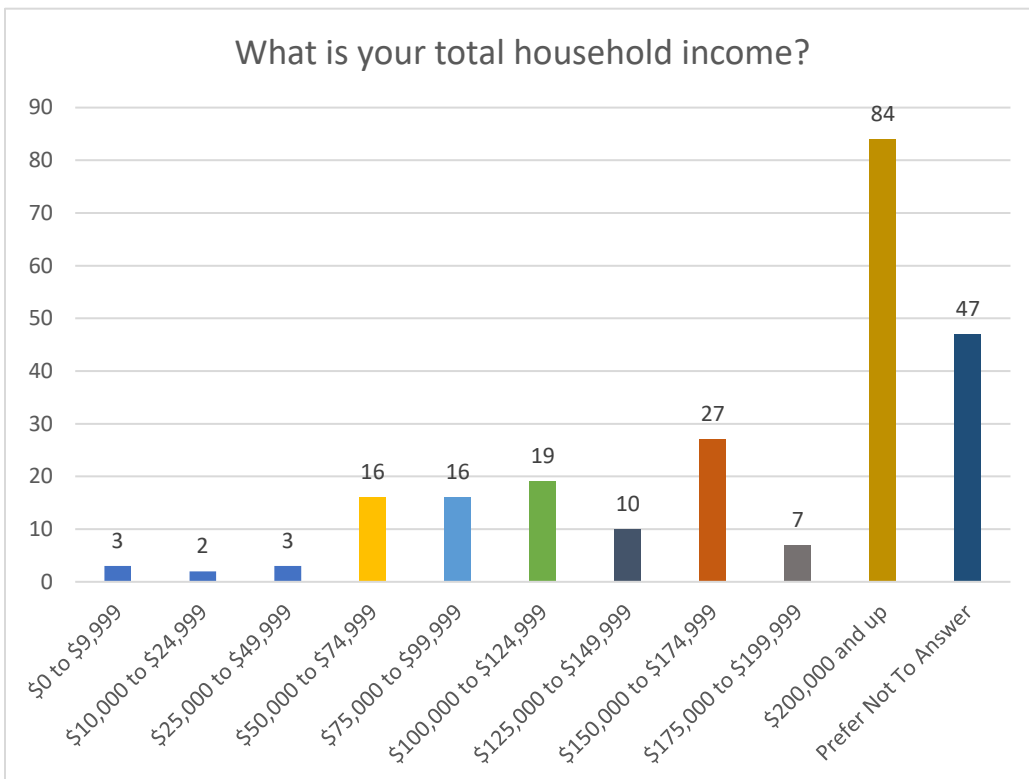
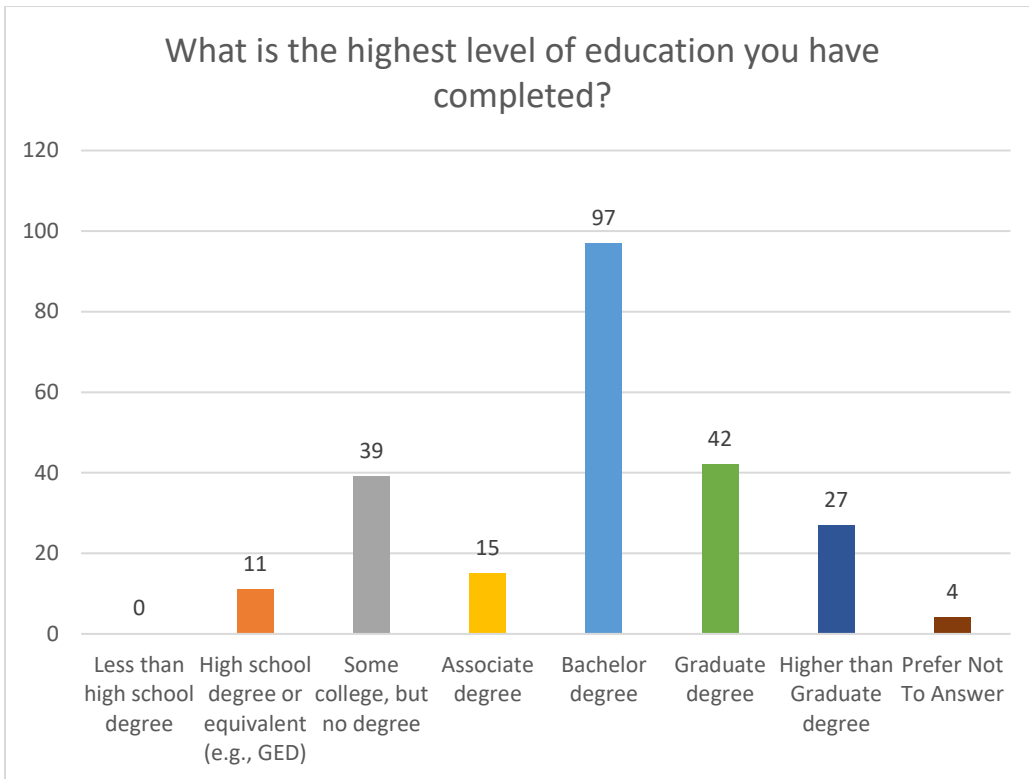
17. MTIS Criminal Enforcement Data

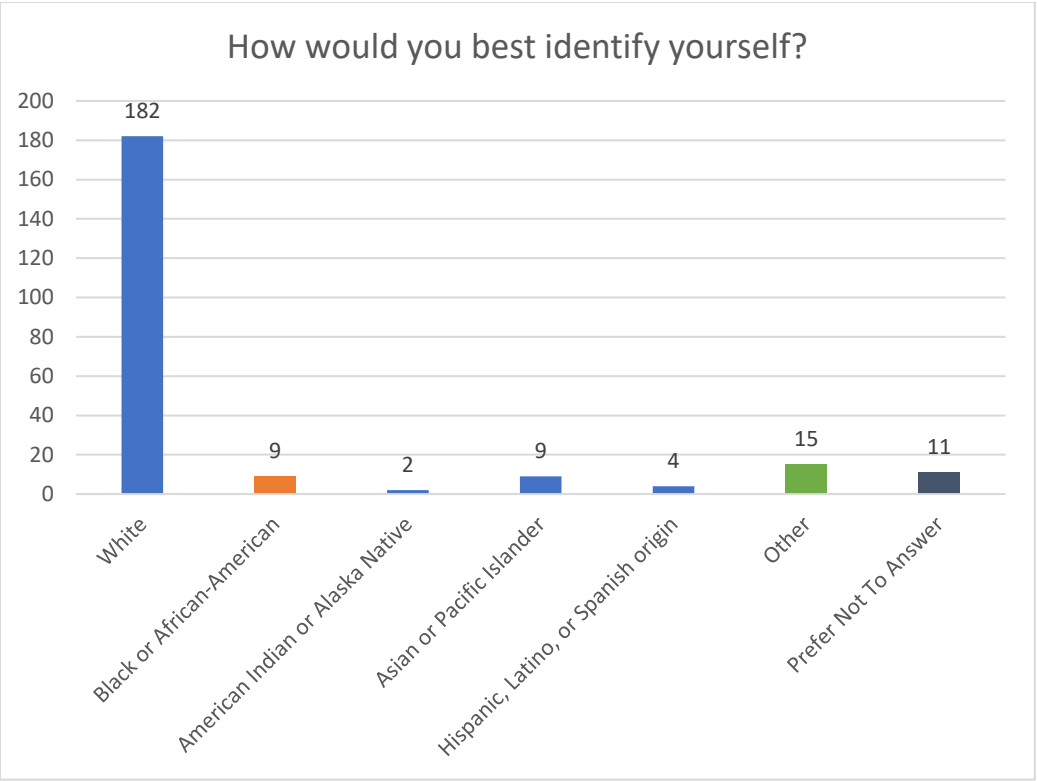
For the third quarter of fiscal year 2021 MTIS seized 4,449 plants, 759 pounds of flower, and 3,166 units of other cannabis products from the illicit market.

18. Demographic Information









Medical Marijuana Registry Program

1. Initial Applications

Initial Applications		
June 1 - June 30		
Received	Issued	Denied
Pending	6,953	909

2. Renewal Applications

Renewal Applications		
June 1 - June 30		
Received	Issued	Denied
Pending	2,343	214

3. Application Processing Time

Initial Applications (Calendar Days)					
June 1 - June 30					
Approvals			Denials		
Paper	Online	Combined	Paper	Online	Combined
5.61	0.03	2.68	5.90	.44	5.36

Renewal Applications (Calendar Days)					
June 1 - June 30					
Approvals			Denials		
Paper	Online	Combined	Paper	Online	Combined
5.20	0.01	2.47	5.92	0.38	4.76

4. Number of Applications Filed for Registry Identification Cards

Applications Filed for Registry Identification Cards							
June 1 - June 30							
Original Applications				Renewals			Grand Total
Paper	Online	Total	Paper	Online	Total		
June	Pending	3,733	Pending	1,280	Pending	Pending	

5. Number of Qualifying Patients and Primary Caregivers Approved in Each County

As of June 30, 2021					
County	Patients	Caregivers	County	Patients	Caregivers
Alcona	619	75	Lake	253	48
Alger	647	104	Lapeer	3,634	490
Allegan	5,505	752	Leelanau	787	70
Alpena	711	81	Lenawee	3,244	464
Antrim	1,303	190	Livingston	3,738	428
Arenac	1,222	154	Luce	85	15
Baraga	125	15	Mackinac	196	32
Barry	2,300	280	Macomb	29,589	4,348
Bay	5,385	380	Manistee	403	65
Benzie	1,108	133	Marquette	270	91
Berrien	3,921	633	Mason	431	56
Branch	1,859	314	Mecosta	205	36
Calhoun	2,745	381	Menominee	389	94
Cass	1,629	293	Midland	2,306	249
Charlevoix	343	46	Missaukee	205	30
Cheboygan	675	85	Monroe	4,332	490
Chippewa	549	79	Montcalm	1,737	315
Clare	1,566	266	Montmorency	107	35
Clinton	3,219	379	Muskegon	2,973	378
Crawford	1,077	127	Newaygo	1,625	252
Delta	748	140	Oakland	37,191	4,137
Dickinson	522	116	Oceana	1,283	208
Eaton	3,247	446	Ogemaw	454	44
Emmet	141	30	Ontonagon	108	19
Genesee	9,816	1,375	Osceola	379	84
Gladwin	28	23	Oscoda	237	22
Gogebic	309	71	Otsego	87	27
Grand Traverse	1,232	131	Ottawa	3,258	352
Gratiot	246	49	Out of State	0	8
Hillsdale	1,152	222	Presque Isle	117	25
Houghton	238	42	Roscommon	540	64
Huron	494	38	Saginaw	3,804	401
Ingham	2,138	412	Saint Clair	4,177	558
Ionia	219	51	Saint Joseph	677	133
Iosco	207	23	Sanilac	843	121
Iron	172	33	Schoolcraft	36	16
Isabella	478	67	Shiawassee	2,640	334
Jackson	4,310	570	Tuscola	3,655	581
Kalamazoo	3,283	413	Van Buren	1,766	295
Kalkaska	319	49	Washtenaw	12,107	1,084
Kent	8,445	796	Wayne	46,795	4,066
Keweenaw	151	27	Wexford	1,264	217
Total			252,330	30,673	

6. **Registry Identification Cards Revoked**

Registry Identification Cards Revoked	
Month	Revoked
June	0

7. **Nature of the Debilitating Medical Conditions of the Qualifying Patients.**

As of June 30, 2021	
Condition	Percent of Total
Agitation of Alzheimer's Disease	0.01
AIDS	0.00
Amyotrophic Lateral Sclerosis	0.01
Arthritis	22.31
Autism	0.24
Cachexia or Wasting Syndrome	0.21
Cancer	3.46
Cerebral Palsy	0.06
Chronic Pain	60.89
Colitis	0.46
Crohn's Disease	0.77
Glaucoma	1.35
Hepatitis C	0.54
HIV Positive	0.27
Inflammatory Bowel Disease	1.21
Muscle Spasms	9.35
Nail Patella	0.02
Obsessive Compulsive Disorder	1.40
Parkinson's Disease	0.18
Post-Traumatic Stress Disorder	7.08
Rheumatoid Arthritis	1.53
Seizures	1.67
Severe and Chronic Pain	44.38
Severe Nausea	6.29
Spinal Cord Injury	0.45
Tourette's Syndrome	0.10
Ulcerative Colitis	0.30

8. Number of Physicians Providing Written Certifications for Qualifying Patients

Physicians Providing Written Certifications	
As of June 1, 2021	
Month	Physicians
June	383

9. Applications not Processed within Established Time Requirements

Applications not Timely Processed	
June 1 - June 30	
Initial	Renewal
0.00%	0.08%

10. Revenue and Expenses

Revenue Collected	
June 1 - June 30	
Amount	
June	\$399,826

Expenses	
June 1 - June 30	
Amount	
State Employee Wages	Pending
State Employee Benefits	Pending
Materials and Equipment	Pending
Educational Expenses on Behalf of Clients or Students	Pending
Other Contracts	Pending
All Other Costs	Pending
June Total	



Monthly Report

May 1, 2021 – May 31, 2021



Governor
Gretchen Whitmer



Executive Director
Andrew Brisbo



Director
Orlene Hawks

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Medical Marijuana Facility Licensing

1. Product Sales

Sales by Product Type			
May 1 - May 31			
Product Type	Pounds Sold	Fluid Ounces Sold	Total Sales
Flower	7,028.43		\$22,230,476.61
Shake/Trim	585.71		\$1,594,704.70
Concentrate	302.56		\$3,906,560.87
Vape Cartridge	907.88		\$11,244,167.10
Kief	3.18		\$20,615.63
Infused-Edible	39,256.40		\$4,932,410.72
Infused Non-Edible Solid	617.85		\$236,334.19
Infused Liquid		10,380.34	\$295,982.04
Infused Non-Edible Liquid		860.80	\$16,225.30
May Total	48,702.01	11,241.14	\$44,477,477.16

Additional Sales Information	
May 1 - May 31	
Category	Amount
Sales To Date (as of May 31)	\$1,003,672,821.24
Sales Deliveries	\$1,738,786.70
Average Retail Flower Price (oz.)	\$197.68

2. Plants

Plants	
Active Plants	
As of May 31, 2021	
Plant State	Number
Immature	180,153
Vegetative	94,427
Flowering	143,059

Destroyed & Harvested Plants	
May 1 – May 31	
Plant State	Number
Immature - Destroyed	47,685
Vegetative - Destroyed	12,393
Flowering - Destroyed	3,030
Plants Harvested	49,448

3. Packages and Inventory

Packages	
As of May 31, 2021	
Package State	Number
Active	365,674
On Hold	1,701
In Transit	4,341
May 1 – May 31	
Package State	Number
Finished	360,638

Inventory	
As of May 31, 2021	
Category	Amount (lbs.)
Flower at Growers (Test Passed)	10,628.28
Flower at Provisioning Centers	41,583.21
Flower at Processors	31,485.29
Fresh Frozen Flower at Processors	5,821.75
Concentrates at Processors	12,129.29
Infused Solids at Processors	145,258.21
Infused Liquids at Processors (Fl. Oz.)	601,023.52

4. Transfers

Products Shipped		
May 1 - May 31		
License Type	Pounds Shipped	Fluid Ounces Shipped
Grower Class A	2,010.01	0
Grower Class B	652.25	0
Grower Class C	36,302.67	527.07
Processor	85,592.29	14,636.20
Provisioning Center	754.86	491.91
Safety Compliance Facility	0.76	0
Secure Transporter	97,481.29	19,183.74

Transfers	
May 1 – May 31	
Transfer Type	Number
Completed	8,875
Voided	73

5. Initial Applications

Initial Applications			
May 1 - May 31			
License Type	Received	Approved	Denied
Prequalification	49	40	0
Grower Class A	7	7	0
Grower Class B	2	0	0
Grower Class C	60	44	0
Processor	5	7	0
Provisioning Center	8	14	0
Safety Compliance Facility	1	1	0
Secure Transporter	1	0	0
Total	133	113	0

6. Renewal Applications

Renewal Applications			
May 1 - May 31			
License Type	Received	Approved	Denied
Grower Class A	3	3	0
Grower Class B	0	1	0
Grower Class C	9	32	0
Processor	3	6	0
Provisioning Center	17	32	0
Safety Compliance Facility	2	3	0
Secure Transporter	5	1	0
Total	39	78	0

7. Application Processing Time

Application Processing Time (Calendar Days)		
May 1 - May 31		
License Type	Initial Applications	Renewal Applications
Prequalification	60.10	--
Grower Class A	47.57	30.67
Grower Class B	--	65.00
Grower Class C	51.47	46.38
Processor	43.57	43.33
Provisioning Center	41.21	41.28
Safety Compliance Facility	70.00	52.00
Secure Transporter	--	15.00
May Step 2 Average	48.63	--
May Total Average	55.24	43.50

8. Actions Taken by the MRA

Disciplinary Actions Taken by the MRA			
May 1 - May 31			
License Type	Warning	Formal Complaint	Final Order
Grower Class A	0	0	1
Grower Class B	0	0	0
Grower Class C	0	1	0
Processor	0	0	1
Provisioning Center	1	0	0
Safety Compliance Facility	0	1	0
Secure Transporter	0	0	0

9. Complaints and Investigations

Complaints and Investigations	
May 1 - May 31	
Enforcement & Legal Data	Amount
Number of Complaints Received	69
Number of Investigations Opened	61
Number of Investigations Closed	52
Average Time to Complete an Investigation (Calendar Days)	61
Number of Enforcement Actions Taken*	4
* Includes both MMFL and AU data	

10. Number of Administrative Hearing Adjudications

Number of administrative hearing adjudications pertaining to each regulated activity.

Provided are all final orders for denials.

Approximate Amounts: 0

Number of administrative hearings pertaining to each regulated activity.

Provided are all the hearings that have been involved with the MRA, e.g., denials, lawsuits, etc.

Approximate Amounts:

Denials: 2

Litigation: 0

Circuit Court Appeals: 1

11. Revenue and Expenses

Application Fees	
May 1 - May 31	
Amount	
May	\$312,000

Regulatory Assessment Fees								
May 1 - May 31								
	Grower Class A	Grower Class B	Grower Class C	Processor	Provisioning Center	Safety Compliance Facility	Secure Transporter	Total
May	\$49,000	\$0	\$889,651	\$134,457	\$170,660	\$0	\$0	\$1,243,768

Renewal								
May 1 - May 31								
	Grower Class A	Grower Class B	Grower Class C	Processor	Provisioning Center	Safety Compliance Facility	Secure Transporter	Total
May	\$18,667	\$0	\$161,000	\$42,000	\$214,375	\$0	\$70,000	\$506,042

Total Licensing Revenue Collected	
May 1 - May 31	
Amount	
May	\$2,061,810

Expenses	
May 1 - May 31	
Amount	
State Employee Wages	\$348,339.17
State Employee Benefits	\$382,845.47
Materials and Equipment	\$3,713.90
Other Contracts	\$2,005.32
All Other Costs	\$201,900.30
May Total	\$938,804.16

12. Municipalities Opted In to the MMFLA

Municipalities
As of May 31, 2021
Opted In
156

Adult-Use Establishment Licensing

1. Product Sales

Sales by Product Type			
May 1 - May 31			
Product Type	Pounds Sold	Fluid Ounces Sold	Total Sales
Flower	15,414.18		\$54,556,570.09
Shake/Trim	3483.08		\$6,282,770.32
Concentrate	419.91		\$7,407,914.73
Vape Cartridge	1237.31		\$19,950,588.00
Kief	2.53		\$23,046.56
Infused-Edible	88,306.47		\$15,238,247.89
Infused Non-Edible Solid	686.29		\$395,753.64
Infused Liquid		16,904.53	\$474,862.12
Infused Non-Edible Liquid		2,713.86	\$69,702.53
May Total	109,549.77	19,618.39	\$104,399,455.88

Additional Sales Information	
May 1 - May 31	
Category	Amount
Sales To Date (Jan. 31)	\$965,636,364.67
Sales Deliveries	\$2,957,722.20
Average Retail Flower Price (oz.)	\$221.21

2. Plants

Plants	
Active Plants	
As of May 31, 2021	
Plant State	Number
Immature	102,792
Vegetative	134,184
Flowering	166,495

Destroyed & Harvested Plants	
May 1 - May 31	
Plant State	Number
Immature - Destroyed	35,705
Vegetative - Destroyed	14,394
Flowering - Destroyed	3,426
Plants Harvested	77,557

3. Packages and Inventory

Packages	
As of May 31, 2021	
Package State	Number
Active	345,654
On Hold	215
In Transit	9,462
May 1 - May 31	
Package State	Number
Finished	589,291

Inventory	
As of May 31, 2021	
Category	Amount (lbs.)
Flower at Growers (Test Passed)	17,860.28
Flower at Retailers	22,869.20
Flower at Processors	25,582.63
Fresh Frozen Flower at Processors	8,824.02
Concentrates at Processors	10,421.28
Infused Solids at Processors	186,285.68
Infused Liquids at Processors (Fl. Oz.)	114,582.75

4. Transfers

Shipped Products		
May 1 - May 31		
License Type	Shipped Pounds	Fluid Ounces Shipped
Class B Marijuana Grower	1,640.69	0
Class C Marijuana Grower	37,382.28	1,129.29
Excess Grower	6,298.29	0
Microbusiness	6.24	5.29
Processor	143,256.92	46,293.20
Retailer	2,459.56	1,349.63
Safety Compliance Facility	1.19	0
Secure Transporter	165,262.65	29,259.39

Transfers	
May 1 - May 31	
Transfer Type	Number
Completed	11,928
Voided	84

5. Initial Applications

	Initial Applications		
	May 1 - May 31		
	Applications Received	Licenses Issued	Licenses Denied
Prequalification	145	113	0
Class A Marijuana Grower	2	0	0
Class B Marijuana Grower	4	2	0
Class C Marijuana Grower	45	22	0
Designated Consumption Establishment	0	0	0
Marijuana Event Organizer	1	0	0
Excess Grower	31	7	0
Microbusiness	3	1	0
Processor	3	2	0
Retailer	17	18	0
Safety Compliance Facility	0	0	0
Secure Transporter	0	1	0
Temporary Marijuana Event	1	1	0
Social Equity Class A Marijuana Grower	0	0	0
Social Equity Class B Marijuana Grower	2	0	0
Social Equity Class C Marijuana Grower	6	2	0
Social Equity Designated Consumption Establishment	0	0	0
Social Equity Marijuana Event Organizer	0	0	0
Social Equity Excess Grower	0	0	0
Social Equity Microbusiness	0	0	0
Social Equity Processor	0	0	0
Social Equity Retailer	1	2	0
Social Equity Safety Compliance Facility	0	0	0
Social Equity Secure Transporter	0	0	0
Social Equity Marijuana Temporary Event	0	0	0
May Total	261	171	0

6. Renewal Applications

Renewal Applications			
May 1 - May 31			
	Applications Received	Licenses Issued	Licenses Denied
Class A Marijuana Grower	0	0	0
Class B Marijuana Grower	0	1	0
Class C Marijuana Grower	21	8	0
Designated Consumption Establishment	0	0	0
Marijuana Event Organizer	0	0	0
Excess Grower	0	0	0
Microbusiness	0	0	0
Processor	7	3	0
Retailer	10	13	0
Safety Compliance Facility	1	0	0
Secure Transporter	2	0	0
May Total	41	25	0

7. Application Processing Time

Application Processing Days (Calendar Days)		
May 1 - May 31		
License Type	Initial Applications	Renewal Applications
Prequalification	67.11	--
Class A Marijuana Grower	--	--
Class B Marijuana Grower	35.00	--
Class C Marijuana Grower	37.82	16.88
Designated Consumption Establishment	--	--
Marijuana Event Organizer	--	--
Excess Grower	28.86	--
Microbusiness	36.00	--
Processor	38.00	19.67
Retailer	38.06	23.77
Safety Compliance Facility	--	--
Secure Transporter	34.00	--
Temporary Marijuana Event	68.00	--
Social Equity Class A Marijuana Grower	--	--
Social Equity Class B Marijuana Grower	--	35.00
Social Equity Class C Marijuana Grower	49.50	--
Social Equity Designated Consumption Establishment	--	--
Social Equity Marijuana Event Organizer	--	--
Social Equity Excess Grower	--	--
Social Equity Microbusiness	--	--
Social Equity Processor	--	--
Social Equity Retailer	43.50	--
Social Equity Safety Compliance Facility	--	--
Social Equity Secure Transporter	--	--
Social Equity Temporary Marijuana Event	--	--
May Step 2 Average	55.22	--
May Total Average	61.54	21.52

8. Actions Taken by the MRA

Disciplinary Actions Taken by the MRA			
May 1 - May 31			
License Type	Warning	Formal Complaint	Final Order
Class A Marijuana Grower	0	0	0
Class B Marijuana Grower	0	0	0
Class C Marijuana Grower	0	0	0
Designated Consumption Establishment	0	0	0
Marijuana Event Organizer	0	0	0
Excess Grower	0	0	0
Microbusiness	0	0	0
Processor	0	0	0
Retailer	0	0	0
Safety Compliance Facility	0	0	1
Secure Transporter	0	0	0
Temporary Marijuana Event	0	0	0

9. Applications not Processed within Established Time Requirements

Applications Not Timely Processed	
May 1 - May 31	
Initial	Renewal
0%	0%

10. Complaints and Investigations

Complaints and Investigations	
May 1 - May 31	
Enforcement & Legal Data	Amount
Number of Complaints Received	47
Number of Investigations Opened	42
Number of Investigations Closed	42
Average Time to Complete an Investigation* (Calendar Days)	37
Number of Enforcement Actions Taken*	4
* Includes both MMFL and AU data	

11. Number of Administrative Hearing Adjudications

Number of administrative hearing adjudications pertaining to each regulated activity.

Provided are all final orders for denials.

Approximate Amounts:

Number of administrative hearings pertaining to each regulated activity.

"Regulated activity" means the particular activities, entities, facilities, and industries regulated by the agencies. Provided are all the hearings that have been involved with the MRA, e.g., denials, lawsuits, etc.

Approximate Amounts: 0

Denials: 2

Litigation: 0

Circuit Court Appeals: 1

12. Revenue and Expenses

Application Fees			
May 1 - May 31			
	Prequalification	Social Equity Prequalification	Total
May	\$754,500	\$111,900	\$866,400

Regulatory Assessment Fees								
May 1 - May 31								
	Class A Marijuana Grower	Class B Marijuana Grower	Class C Marijuana Grower	Designated Consumption Establishment	Marijuana Event Organizer	Excess Grower	Microbusiness	Processor
May	\$0	\$16,000	\$930,740	\$0	\$0	\$173,152	\$16,000	\$50,740
	Retailer	Safety Compliance Facility	Secure Transporter	Temporary Marijuana Event	Social Equity Class A Marijuana Grower	Social Equity Class B Marijuana Grower	Social Equity Class C Marijuana Grower	Social Equity Designated Consumption Establishment
May	\$395,478	\$0	\$25,000	\$1,000	\$0	\$0	\$76,444	\$0
	Social Equity Marijuana Event Organizer	Social Equity Excess Grower	Social Equity Microbusiness	Social Equity Processor	Social Equity Retailer	Social Equity Safety Compliance Facility	Social Equity Secure Transporter	Social Equity Temporary Marijuana Event
May	\$0	\$0	\$0	\$0	\$37,551	\$0	\$0	\$0
Total Regulatory Assessment Fees								
May	\$1,722,105							

Renewal Fees								
May 1 - May 31								
	Class A Marijuana Grower	Class B Marijuana Grower	Class C Marijuana Grower	Designated Consumption Establishment	Marijuana Event Organizer	Excess Grower	Microbusiness	Processor
May	\$0	\$0	\$670,000	\$0	\$0	\$0	\$0	\$210,000
	Retailer	Safety Compliance Facility	Secure Transporter	Temporary Marijuana Event	Social Equity Class A Marijuana Grower	Social Equity Class B Marijuana Grower	Social Equity Class C Marijuana Grower	Social Equity Designated Consumption Establishment
May	\$200,000	\$25,000	\$50,000	\$0	\$0	\$0	\$0	\$0
	Social Equity Marijuana Event Organizer	Social Equity Excess Grower	Social Equity Microbusiness	Social Equity Processor	Social Equity Retailer	Social Equity Safety Compliance Facility	Social Equity Secure Transporter	Social Equity Temporary Marijuana Event
May	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Renewal Fees								
May	\$1,155,000							

Total Licensing Revenue Collected	
May 1 - May 31	
Amount	
May	\$3,743,505

Expenses	
May 1 - May 31	
Amount	
State Employee Wages	\$233,089.81
State Employee Benefits	\$255,147.44
Materials and Equipment	\$2,772.08
Other Contracts	\$0.58
All Other Costs	\$125,125.44
May Total	\$626,135.35

13. Social Equity Applications

Social Equity Applications			
May 1 - May 31			
	Received	Eligible	Ineligible
May	51	51	13

14. Social Equity Education & Outreach

Outreach Sessions	
May 1 - May 31	
Sessions Held	
May	0

15. Social Equity Application Assistance Provided

Application Assistance Provided	
May 1 - May 31	
Number of Times	
May	23

16. Municipalities Opted In or Out of MRTMA

Municipalities	
As of May 31, 2021	
Opted In	Opted Out
106	1,396

Medical Marijuana Registry Program

1. Initial Applications

Initial Applications		
May 1 - May 31		
Received	Issued	Denied
7,806	7,278	786

2. Renewal Applications

Renewal Applications		
May 1 - May 31		
Received	Issued	Denied
2,307	1,001	175

3. Application Processing Time

Initial Applications (Calendar Days)					
May 1 - May 31					
Approvals			Denials		
Paper	Online	Combined	Paper	Online	Combined
3,365	3,913	7,278	696	90	786

Renewal Applications (Calendar Days)					
May 1 - May 31					
Approvals			Denials		
Paper	Online	Combined	Paper	Online	Combined
4.76	0.02	2.25	6.27	0.60	4.75

4. Number of Applications Filed for Registry Identification Cards

Applications Filed for Registry Identification Cards							
May 1 – May 31							
Original Applications				Renewals			Grand Total
Paper	Online	Total	Paper	Online	Total		
May	3,803	4,000	3	1,177	2,307	10,113	

5. Number of Qualifying Patients and Primary Caregivers Approved in Each County

As of May 31, 2021					
County	Patients	Caregivers	County	Patients	Caregivers
Alcona	633	77	Lake	258	51
Alger	640	104	Lapeer	3,607	488
Allegan	5,482	736	Leelanau	768	70
Alpena	724	82	Lenawee	3,249	456
Antrim	1,298	193	Livingston	3,770	432
Arenac	1,222	151	Luce	83	16
Baraga	129	17	Mackinac	192	32
Barry	2,310	289	Macomb	29,523	4,358
Bay	5,369	384	Manistee	405	67
Benzie	1,101	133	Marquette	266	91
Berrien	3,970	639	Mason	435	57
Branch	1,846	307	Mecosta	209	39
Calhoun	2,746	388	Menominee	389	94
Cass	1,634	300	Midland	2,285	242
Charlevoix	348	46	Missaukee	203	31
Cheboygan	676	88	Monroe	4,343	493
Chippewa	547	80	Montcalm	1,747	317
Clare	1,566	262	Montmorency	108	37
Clinton	3,217	381	Muskegon	2,966	380
Crawford	1,073	124	Newaygo	1,638	248
Delta	741	141	Oakland	37,184	4,150
Dickinson	534	121	Oceana	1,303	216
Eaton	3,290	455	Ogemaw	448	43
Emmet	141	33	Ontonagon	112	19
Genesee	9,776	1,373	Osceola	382	93
Gladwin	31	23	Oscoda	223	19
Gogebic	306	68	Otsego	85	29
Grand Traverse	1,197	137	Ottawa	3,246	351
Gratiot	242	50	Out of State	0	9
Hillsdale	1,143	226	Presque Isle	118	27
Houghton	241	41	Roscommon	531	62
Huron	498	39	Saginaw	3,776	407
Ingham	2,166	416	Saint Clair	4,147	548
Ionia	223	50	Saint Joseph	686	134
Iosco	210	25	Sanilac	849	125
Iron	165	35	Schoolcraft	35	17
Isabella	471	71	Shiawassee	2,650	330
Jackson	4,278	561	Tuscola	3,644	570
Kalamazoo	3,324	420	Van Buren	1,758	295
Kalkaska	317	47	Washtenaw	12,198	1,104
Kent	8,453	815	Wayne	46,911	4,083
Keweenaw	156	28	Wexford	1,250	214
			Total	252,414	30,800

6. **Registry Identification Cards Revoked**

Registry Identification Cards Revoked	
Month	Revoked
May	0

7. **Nature of the Debilitating Medical Conditions of the Qualifying Patients.**

As of May 31, 2021	
Condition	Percent of Total
Agitation of Alzheimer's Disease	0.06
AIDS	0.02
Amyotrophic Lateral Sclerosis	0.02
Arthritis	21.89
Autism	0.36
Cachexia or Wasting Syndrome	0.50
Cancer	3.70
Cerebral Palsy	0.17
Chronic Pain	62.39
Colitis	0.51
Crohn's Disease	0.74
Glaucoma	1.38
Hepatitis C	0.51
HIV Positive	0.25
Inflammatory Bowel Disease	1.10
Muscle Spasms	9.16
Nail Patella	0.04
Obsessive Compulsive Disorder	1.41
Parkinson's Disease	0.18
Post-Traumatic Stress Disorder	6.85
Rheumatoid Arthritis	1.49
Seizures	1.69
Severe and Chronic Pain	42.54
Severe Nausea	6.35
Spinal Cord Injury	0.41
Tourette's Syndrome	0.07
Ulcerative Colitis	0.34

8. Number of Physicians Providing Written Certifications for Qualifying Patients

Physicians Providing Written Certifications	
As of May 1, 2021	
Month	Physicians
May	372

9. Applications not Processed within Established Time Requirements

Applications not Timely Processed	
May 1 - May 31	
Initial	Renewal
0.04%	0.09%

10. Revenue and Expenses

Revenue Collected	
May 1 - May 31	
Amount	
May	\$393,376

Expenses	
May 1 - May 31	
Amount	
State Employee Wages	\$141,324.34
State Employee Benefits	\$159,411.34
Materials and Equipment	\$9,233.80
Other Contracts	\$5,261.17
All Other Costs	\$54,125.72
May Total	\$369,456.37



Monthly Report

April 1, 2021 – April 30, 2021



Governor
Gretchen Whitmer



Executive Director
Andrew Brisbo



Director
Orlene Hawks

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Medical Marijuana Facility Licensing

1. Product Sales

Sales by Product Type			
April 1 - April 30			
Product Type	Pounds Sold	Fluid Ounces Sold	Total Sales
Flower	7,352.73		\$23,988,965.22
Shake/Trim	588.95		\$1,575,000.53
Concentrate	336.44		\$4,477,939.12
Vape Cartridge	982.96		\$12,229,924.98
Kief	4.03		\$25,979.88
Infused-Edible	42,620.07		\$5,515,623.72
Infused Non-Edible Solid	709.24		\$273,180.15
Infused Liquid		9,450.85	\$306,103.05
Infused Non-Edible Liquid		874.65	\$18,030.70
April Total	52,594.42	10,325.50	\$48,410,747.35

Additional Sales Information	
April 1 - April 30	
Category	Amount
Sales To Date (April 30)	\$959,195,344.08
Sales Deliveries	\$2,012,778.27
Average Retail Flower Price (oz.)	\$203.91

2. Plants

Plants	
Active Plants	
As of April 30, 2021	
Plant State	Number
Immature	68,134
Vegetative	92,792
Flowering	123,482

Destroyed & Harvested Plants	
April 1 – April 30	
Plant State	Number
Immature - Destroyed	31,830
Vegetative - Destroyed	13,929
Flowering - Destroyed	1,303
Plants Harvested	47,754

3. Packages and Inventory

Packages	
As of April 30, 2021	
Package State	Number
Active	352,447
On Hold	1,775
In Transit	4,341
April 1 – April 30	
Package State	Number
Finished	355,962

Inventory	
As of April 30, 2021	
Category	Amount (lbs.)
Flower at Growers (Test Passed)	10,882.44
Flower at Provisioning Centers	39,333.74
Flower at Processors	35,329.33
Fresh Frozen Flower at Processors	6,946.75
Concentrates at Processors	14,804.60
Infused Solids at Processors	134,089.10
Infused Liquids at Processors (Fl. Oz.)	587,092.32

4. Transfers

Products Shipped		
April 1 - April 30		
License Type	Pounds Shipped	Fluid Ounces Shipped
Grower Class A	2,168.00	0
Grower Class B	785.10	0
Grower Class C	30,856.19	859.20
Processor	82,595.23	13,116.50
Provisioning Center	884.27	291.75
Safety Compliance Facility	1.57	0
Secure Transporter	93,548.71	18,157.72

Transfers	
April 1 – April 30	
Transfer Type	Number
Completed	8,245
Voided	83

5. Initial Applications

Initial Applications			
April 1 - April 30			
License Type	Received	Approved	Denied
Prequalification	48	36	5
Grower Class A	4	1	0
Grower Class B	1	0	0
Grower Class C	53	24	0
Processor	6	6	0
Provisioning Center	19	15	2
Safety Compliance Facility	0	0	1
Secure Transporter	0	0	0
Total	131	82	8

6. Renewal Applications

Renewal Applications			
April 1 - April 30			
License Type	Received	Approved	Denied
Grower Class A	5	7	0
Grower Class B	0	0	0
Grower Class C	34	15	0
Processor	4	6	0
Provisioning Center	37	16	0
Safety Compliance Facility	4	1	0
Secure Transporter	3	1	0
Total	87	46	0

7. Application Processing Time

Application Processing Time (Calendar Days)		
April 1 - April 30		
License Type	Initial Applications	Renewal Applications
Prequalification	74.50	--
Grower Class A	36.00	54.29
Grower Class B	--	--
Grower Class C	47.29	43.67
Processor	158.00	49.00
Provisioning Center	87.20	55.56
Safety Compliance Facility	--	5.00
Secure Transporter	--	21.00
April Step 2 Average	74.50	--
April Total Average	74.50	48.78

8. Actions Taken by the MRA

Disciplinary Actions Taken by the MRA			
April 1 - April 30			
License Type	Warning	Formal Complaint	Final Order
Grower Class A	0	1	1
Grower Class B	0	0	0
Grower Class C	0	1	0
Processor	0	0	0
Provisioning Center	0	2	2
Safety Compliance Facility	0	0	0
Secure Transporter	0	1	0

9. Complaints and Investigations

Complaints and Investigations	
April 1 - April 30	
Enforcement & Legal Data	Amount
Number of Complaints Received*	120
Number of Investigations Opened*	81
Number of Investigations Closed*	132
Average Time to Complete an Investigation* (Calendar Days)	28
Number of Enforcement Actions Taken*	15
* Includes both MMFL and AU data	

10. Number of Administrative Hearing Adjudications

Number of administrative hearing adjudications pertaining to each regulated activity.

Provided are all final orders for denials.

Approximate Amounts: 1 Final Order

Number of administrative hearings pertaining to each regulated activity.

Provided are all the hearings that have been involved with the MRA, e.g., denials, lawsuits, etc.

Approximate Amounts:

Denials: 1

Litigation: 0

Circuit Court Appeals: 0

11. Revenue and Expenses

Application Fees	
April 1 - April 30	
Amount	
April	\$294,000

Regulatory Assessment Fees								
April 1 - April 30								
	Grower Class A	Grower Class B	Grower Class C	Processor	Provisioning Center	Safety Compliance Facility	Secure Transporter	Total
April	\$7,000	\$0	\$464,476	\$126,000	\$188,495	\$0	\$0	\$785,971

Renewal								
April 1 - April 30								
	Grower Class A	Grower Class B	Grower Class C	Processor	Provisioning Center	Safety Compliance Facility	Secure Transporter	Total
April	\$32,667	\$0	\$490,000	\$56,000	\$420,000	\$0	\$35,000	\$1,033,667

Total Licensing Revenue Collected	
April 1 - April 30	
Amount	
April	\$2,113,638

Expenses	
April 1 - April 30	
Amount	
State Employee Wages	\$589,837.30
State Employee Benefits	\$236,259.22
Materials and Equipment	\$6,166.19
All Other Costs	\$352,500.38
April Total	\$1,184,763.09

12. Municipalities Opted In to the MMFLA

Municipalities
As of April 30, 2021
Opted In
155

Adult-Use Establishment Licensing

1. Product Sales

Sales by Product Type			
April 1 - April 30			
Product Type	Pounds Sold	Fluid Ounces Sold	Total Sales
Flower	14,015.79		\$55,164,963.81
Shake/Trim	2,080.91		\$6,263,627.59
Concentrate	434.68		\$8,003,774.63
Vape Cartridge	1,206.80		\$19,157,217.63
Kief	4.15		\$41,293.92
Infused-Edible	85,025.12		\$15,683,323.33
Infused Non-Edible Solid	421.69		\$325,369.25
Infused Liquid		17,939.15	\$500,747.16
Infused Non-Edible Liquid		2,523.35	\$63,713.81
April Total	103,189.14	20,462.50	\$105,204,031.13

Additional Sales Information	
April 1 - April 30	
Category	Amount
Sales To Date (Jan. 31)	\$861,236,908.79
Sales Deliveries	\$3,422,208.94
Average Retail Flower Price (oz.)	\$245.99

2. Plants

Plants	
Active Plants	
As of April 30, 2021	
Plant State	Number
Immature	103,376
Vegetative	106,846
Flowering	152,827

Destroyed & Harvested Plants	
April 1 - April 30	
Plant State	Number
Immature - Destroyed	33,257
Vegetative - Destroyed	9,311
Flowering - Destroyed	1,758
Plants Harvested	71,460

3. Packages and Inventory

Packages	
As of April 30, 2021	
Package State	Number
Active	339,485
On Hold	209
In Transit	9,171
April 1 - April 30	
Package State	Number
Finished	567,150

Inventory	
As of April 30, 2021	
Category	Amount (lbs.)
Flower at Growers (Test Passed)	17,995.70
Flower at Retailers	23,996.20
Flower at Processors	23,684.60
Fresh Frozen Flower at Processors	8,972.74
Concentrates at Processors	9,199.18
Infused Solids at Processors	167,829.60
Infused Liquids at Processors (Fl. Oz.)	109,303.44

4. Transfers

Shipped Products		
April 1 - April 30		
License Type	Shipped Pounds	Fluid Ounces Shipped
Class B Marijuana Grower	1,438.45	0
Class C Marijuana Grower	36,224.51	1,089.81
Excess Grower	5,652.70	0
Microbusiness	5.52	3.04
Processor	123,485.70	40,822.27
Retailer	2,392.51	1,261.88
Safety Compliance Facility	.46	0
Secure Transporter	148,167.95	26,299.49

Transfers	
April 1 - April 30	
Transfer Type	Number
Completed	11,761
Voided	134

5. Initial Applications

	Initial Applications		
	April 1 - April 30		
	Applications Received	Licenses Issued	Licenses Denied
Prequalification	159	97	1
Class A Marijuana Grower	0	0	0
Class B Marijuana Grower	3	4	0
Class C Marijuana Grower	55	11	0
Designated Consumption Establishment	0	0	0
Marijuana Event Organizer	0	0	0
Excess Grower	13	0	0
Microbusiness	0	1	0
Processor	6	6	0
Retailer	18	16	0
Safety Compliance Facility	0	0	0
Secure Transporter	0	0	0
Temporary Marijuana Event	2	0	0
Social Equity Class A Marijuana Grower	0	0	0
Social Equity Class B Marijuana Grower	0	0	0
Social Equity Class C Marijuana Grower	1	1	0
Social Equity Designated Consumption Establishment	0	0	0
Social Equity Marijuana Event Organizer	0	0	0
Social Equity Excess Grower	0	1	0
Social Equity Microbusiness	0	0	0
Social Equity Processor	1	0	0
Social Equity Retailer	2	1	0
Social Equity Safety Compliance Facility	0	0	0
Social Equity Secure Transporter	0	0	0
Social Equity Marijuana Temporary Event	0	0	0
April Total	260	138	1

6. Renewal Applications

Renewal Applications			
April 1 - April 30			
	Applications Received	Licenses Issued	Licenses Denied
Class A Marijuana Grower	0	0	0
Class B Marijuana Grower	1	1	0
Class C Marijuana Grower	20	17	0
Designated Consumption Establishment	0	0	0
Marijuana Event Organizer	0	0	0
Excess Grower	0	0	0
Microbusiness	0	0	0
Processor	5	4	0
Retailer	20	17	0
Safety Compliance Facility	0	1	0
Secure Transporter	1	3	0
April Total	47	43	0

7. Application Processing Time

Application Processing Days (Calendar Days)		
April 1 - April 30		
License Type	Initial Applications	Renewal Applications
Prequalification	59.65	--
Class A Marijuana Grower	--	--
Class B Marijuana Grower	31.00	10.00
Class C Marijuana Grower	41.73	16.35
Designated Consumption Establishment	--	--
Marijuana Event Organizer	--	--
Excess Grower	--	--
Microbusiness	81.00	--
Processor	49.83	19.00
Retailer	37.04	25.18
Safety Compliance Facility	--	45.00
Secure Transporter	--	23.67
Temporary Marijuana Event	--	--
Social Equity Class A Marijuana Grower	--	--
Social Equity Class B Marijuana Grower	--	--
Social Equity Class C Marijuana Grower	22.00	--
Social Equity Designated Consumption Establishment	--	--
Social Equity Marijuana Event Organizer	--	--
Social Equity Excess Grower	65.00	--
Social Equity Microbusiness	--	--
Social Equity Processor	--	--
Social Equity Retailer	37.00	--
Social Equity Safety Compliance Facility	--	--
Social Equity Secure Transporter	--	--
Social Equity Temporary Marijuana Event	--	--
April Step 2 Average	38.78	--
April Total Average	53.45	21.12

8. Actions Taken by the MRA

Disciplinary Actions Taken by the MRA			
April 1 - April 30			
License Type	Warning	Formal Complaint	Final Order
Class A Marijuana Grower	0	0	0
Class B Marijuana Grower	0	0	0
Class C Marijuana Grower	0	0	1
Designated Consumption Establishment	0	0	0
Marijuana Event Organizer	0	0	0
Excess Grower	0	0	0
Microbusiness	0	0	0
Processor	0	0	0
Retailer	0	2	0
Safety Compliance Facility	0	0	0
Secure Transporter	0	0	0
Temporary Marijuana Event	0	0	0

9. Applications not Processed within Established Time Requirements

Applications Not Timely Processed	
April 1 - April 30	
Initial	Renewal
0%	0%

10. Complaints and Investigations

Complaints and Investigations	
April 1 - April 30	
Enforcement & Legal Data	Amount
Number of Complaints Received*	120
Number of Investigations Opened*	81
Number of Investigations Closed*	132
Average Time to Complete an Investigation* (Calendar Days)	28
Number of Enforcement Actions Taken*	15
* Includes both MMFL and AU data	

11. Number of Administrative Hearing Adjudications

Number of administrative hearing adjudications pertaining to each regulated activity.

Provided are all final orders for denials.

Approximate Amounts:

Number of administrative hearings pertaining to each regulated activity.

"Regulated activity" means the particular activities, entities, facilities, and industries regulated by the agencies. Provided are all the hearings that have been involved with the MRA, e.g., denials, lawsuits, etc.

Approximate Amounts:

Denials:

Litigation:

Circuit Court Appeals:

12. Revenue and Expenses

Application Fees			
April 1 - April 30			
	Prequalification	Social Equity Prequalification	Total
April	\$627,000	\$262,800	\$889,800

Regulatory Assessment Fees								
April 1 - April 30								
	Class A Marijuana Grower	Class B Marijuana Grower	Class C Marijuana Grower	Designated Consumption Establishment	Marijuana Event Organizer	Excess Grower	Microbusiness	Processor
April	\$0	\$32,000	\$307,834	\$0	\$0	\$24,005	\$16,000	\$213,479
	Retailer	Safety Compliance Facility	Secure Transporter	Temporary Marijuana Event	Social Equity Class A Marijuana Grower	Social Equity Class B Marijuana Grower	Social Equity Class C Marijuana Grower	Social Equity Designated Consumption Establishment
April	\$384,041	\$0	\$0	\$0	\$0	\$0	\$30,000	\$0
	Social Equity Marijuana Event Organizer	Social Equity Excess Grower	Social Equity Microbusiness	Social Equity Processor	Social Equity Retailer	Social Equity Safety Compliance Facility	Social Equity Secure Transporter	Social Equity Temporary Marijuana Event
April	\$0	\$0	\$0	\$0	\$22,500	\$0	\$0	\$0
Total Regulatory Assessment Fees								
April	\$1,029,859							

Renewal Fees								
April 1 - April 30								
	Class A Marijuana Grower	Class B Marijuana Grower	Class C Marijuana Grower	Designated Consumption Establishment	Marijuana Event Organizer	Excess Grower	Microbusiness	Processor
April	\$0	\$6,000	\$610,000	\$0	\$0	\$0	\$0	\$160,000
	Retailer	Safety Compliance Facility	Secure Transporter	Temporary Marijuana Event	Social Equity Class A Marijuana Grower	Social Equity Class B Marijuana Grower	Social Equity Class C Marijuana Grower	Social Equity Designated Consumption Establishment
April	\$425,000	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0
	Social Equity Marijuana Event Organizer	Social Equity Excess Grower	Social Equity Microbusiness	Social Equity Processor	Social Equity Retailer	Social Equity Safety Compliance Facility	Social Equity Secure Transporter	Social Equity Temporary Marijuana Event
April	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Renewal Fees								
April	\$1,231,000							

Total Licensing Revenue Collected	
April 1 - April 30	
Amount	
April	\$3,150,659

Expenses	
April 1 - April 30	
Amount	
State Employee Wages	\$411,348.26
State Employee Benefits	\$160,355.54
Materials and Equipment	\$1,231.46
All Other Costs	\$191,046.60
April Total	\$763,981.86

13. Social Equity Applications

Social Equity Applications			
April 1 - April 30			
	Received	Eligible	Ineligible
April	124	124	47

14. Social Equity Education & Outreach

Outreach Sessions	
April 1 - April 30	
Sessions Held	
April	0

15. Social Equity Application Assistance Provided

Application Assistance Provided	
April 1 - April 30	
Number of Times	
April	52

16. Municipalities Opted In or Out of MRTMA

Municipalities	
As of April 30, 2021	
Opted In	Opted Out
101	1,400

Medical Marijuana Registry Program

1. Initial Applications

Initial Applications		
April 1 - April 30		
Received	Issued	Denied
9,186	8,443	877

2. Renewal Applications

Renewal Applications		
April 1 - April 30		
Received	Issued	Denied
11,333	2,037	136

3. Application Processing Time

Initial Applications (Calendar Days)					
April 1 - April 30					
Approvals			Denials		
Paper	Online	Combined	Paper	Online	Combined
3,816	4,627	8,443	790	87	877

Renewal Applications (Calendar Days)					
April 1 - April 30					
Approvals			Denials		
Paper	Online	Combined	Paper	Online	Combined
976	1,056	2,032	112	24	136

4. Number of Applications Filed for Registry Identification Cards

Applications Filed for Registry Identification Cards							
April 1 – April 30							
Original Applications				Renewals			Grand Total
Paper	Online	Total	Paper	Online	Total		
April	4,472	4,714	9,186	1,067	1,080	2,147	11,333

5. Number of Qualifying Patients and Primary Caregivers Approved in Each County

As of April 30, 2021					
County	Patients	Caregivers	County	Patients	Caregivers
Alcona	634	78	Lake	260	51
Alger	632	105	Lapeer	3,577	481
Allegan	5,340	715	Leelanau	747	70
Alpena	726	84	Lenawee	3,256	456
Antrim	1,278	191	Livingston	3,718	426
Arenac	1,200	149	Luce	83	17
Baraga	129	16	Mackinac	193	31
Barry	2,283	290	Macomb	29,363	4,331
Bay	5,349	380	Manistee	408	64
Benzie	1,077	133	Marquette	269	97
Berrien	3,893	627	Mason	433	56
Branch	1,811	305	Mecosta	199	39
Calhoun	2,705	393	Menominee	382	93
Cass	1,623	296	Midland	2,264	239
Charlevoix	344	45	Missaukee	196	32
Cheboygan	671	91	Monroe	4,337	494
Chippewa	517	81	Montcalm	1,745	309
Clare	1,550	260	Montmorency	105	36
Clinton	3,220	376	Muskegon	2,922	374
Crawford	1,046	122	Newaygo	1,624	247
Delta	718	137	Oakland	37,089	4,144
Dickinson	542	123	Oceana	1,289	213
Eaton	3,289	458	Ogemaw	450	44
Emmet	141	33	Ontonagon	108	19
Genesee	9,685	1,371	Osceola	372	91
Gladwin	29	22	Oscoda	213	19
Gogebic	307	67	Otsego	82	29
Grand Traverse	1,166	137	Ottawa	3,188	347
Gratiot	239	48	Out of State	0	9
Hillsdale	1,133	226	Presque Isle	115	28
Houghton	241	41	Roscommon	517	63
Huron	499	37	Saginaw	3,730	402
Ingham	2,172	415	Saint Clair	4,137	544
Ionia	219	51	Saint Joseph	674	132
Iosco	211	26	Sanilac	839	125
Iron	173	36	Schoolcraft	33	18
Isabella	447	71	Shiawassee	2,643	329
Jackson	4,218	551	Tuscola	3,603	560
Kalamazoo	3,305	427	Van Buren	1,755	303
Kalkaska	312	48	Washtenaw	12,233	1,128
Kent	8,358	805	Wayne	46,846	4,087
Keweenaw	154	28	Wexford	1,222	216
			Total	250,805	30,689

6. **Registry Identification Cards Revoked**

Registry Identification Cards Revoked	
Month	Revoked
April	0

7. **Nature of the Debilitating Medical Conditions of the Qualifying Patients.**

As of April 30, 2021	
Condition	Percent of Total
Agitation of Alzheimer's Disease	0.05
AIDS	0.05
Amyotrophic Lateral Sclerosis	0.06
Arthritis	22.72
Autism	0.37
Cachexia or Wasting Syndrome	0.33
Cancer	3.45
Cerebral Palsy	0.11
Chronic Pain	62.18
Colitis	0.49
Crohn's Disease	0.80
Glaucoma	1.06
Hepatitis C	0.70
HIV Positive	0.36
Inflammatory Bowel Disease	1.09
Muscle Spasms	10.17
Nail Patella	0.00
Obsessive Compulsive Disorder	1.75
Parkinson's Disease	0.12
Post-Traumatic Stress Disorder	7.64
Rheumatoid Arthritis	1.75
Seizures	1.76
Severe and Chronic Pain	43.95
Severe Nausea	7.32
Spinal Cord Injury	0.50
Tourette's Syndrome	0.09
Ulcerative Colitis	0.34

8. Number of Physicians Providing Written Certifications for Qualifying Patients

Physicians Providing Written Certifications	
As of April 1, 2021	
Month	Physicians
April	362

9. Applications not Processed within Established Time Requirements

Applications not Timely Processed	
April 1 - April 30	
Initial	Renewal
0.04%	0.00%

10. Revenue and Expenses

Revenue Collected	
April 1 - April 30	
Amount	
April	\$269,942.50

Expenses	
April 1 - April 30	
Amount	
State Employee Wages	\$288,463.95
State Employee Benefits	\$103,976.05
Materials and Equipment	\$11,100.79
Educational Expenses on Behalf of Clients or Students	\$280.38
Other Contracts	\$7,743.68
All Other Costs	\$340,944.21
April Total	\$752,509.06



Monthly Report

March 1, 2021 – March 31, 2021



Governor
Gretchen Whitmer



Executive Director
Andrew Brisbo



Director
Orlene Hawks

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Medical Marijuana Facility Licensing

1. Product Sales

Sales by Product Type			
March 1 - March 31			
Product Type	Pounds Sold	Fluid Ounces Sold	Total Sales
Flower	6,524.00		\$22,800,116.87
Shake/Trim	607.17		\$1,560,270.21
Concentrate	331.82		\$4,470,373.70
Vape Cartridge	1,044.16		\$13,216,177.23
Kief	4.39		\$31,655.72
Infused-Edible	41,906.50		\$5,509,579.68
Infused Non-Edible Solid	766.38		\$279,524.46
Infused Liquid		8,951.36	\$317,821.19
Infused Non-Edible Liquid		1,059.46	\$19,161.55
March Total	51,184.42	10,010.82	\$48,204,680.61

Additional Sales Information	
March 1 - March 31	
Category	Amount
Sales To Date (Mar. 31)	\$910,482,470.87
Sales Deliveries	\$2,062,643.63
Average Retail Flower Price (oz.)	\$217.49

2. Plants

Plants	
Active Plants	
As of March 31, 2021	
Plant State	Number
Immature	85,188
Vegetative	94,525
Flowering	103,277

Destroyed & Harvested Plants	
March 1 – March 31	
Plant State	Number
Immature - Destroyed	34,627
Vegetative - Destroyed	15,429
Flowering - Destroyed	2,710
Plants Harvested	43,943

3. Packages and Inventory

Packages	
As of March 31, 2021	
Package State	Number
Active	355,388
On Hold	2,105
In Transit	4,011
March 1 – March 31	
Package State	Number
Finished	23,025

Inventory	
As of March 31, 2021	
Category	Amount (lbs.)
Flower at Growers (Test Passed)	10,731.00
Flower at Provisioning Centers	29,441.94
Flower at Processors	15,381.19
Fresh Frozen Flower at Processors	6,216.47
Concentrates at Processors	15,455.90
Infused Solids at Processors	129,961.90
Infused Liquids at Processors (Fl. Oz.)	581,755.10

4. Transfers

Products Shipped		
March 1 - March 31		
License Type	Pounds Shipped	Fluid Ounces Shipped
Grower Class A	1,952.76	0
Grower Class B	423.00	0
Grower Class C	29,911.89	803.41
Processor	57,755.56	11,272.41
Provisioning Center	1,140.42	172.85
Safety Compliance Facility	2.97	0
Secure Transporter	73,796.43	10,224.35

Transfers	
March 1 – March 31	
Transfer Type	Number
Completed	7,189
Voided	139

5. Initial Applications

Initial Applications			
March 1 - March 31			
License Type	Received	Approved	Denied
Prequalification	57	55	0
Grower Class A	8	3	0
Grower Class B	2	3	0
Grower Class C	19	13	0
Processor	7	4	0
Provisioning Center	23	13	0
Safety Compliance Facility	1	0	0
Secure Transporter	0	0	0
Total	117	91	0

6. Renewal Applications

Renewal Applications			
March 1 - March 31			
License Type	Received	Approved	Denied
Grower Class A	4	3	0
Grower Class B	1	0	0
Grower Class C	14	14	0
Processor	5	3	0
Provisioning Center	20	23	0
Safety Compliance Facility	2	2	0
Secure Transporter	0	3	0
Total	46	48	0

7. Application Processing Time

Application Processing Time (Calendar Days)		
March 1 - March 31		
License Type	Initial Applications	Renewal Applications
Prequalification	90.25	45.67
Grower Class A	148.33	--
Grower Class B	189.33	52.00
Grower Class C	172.38	54.33
Processor	88.75	47.96
Provisioning Center	70.00	48.67
Safety Compliance Facility	--	45.00
Secure Transporter	--	45.67
March Step 2 Average	125.53	--
March Total Average	104.21	49.31

8. Actions Taken by the MRA

Disciplinary Actions Taken by the MRA			
March 1 - March 31			
License Type	Warning	Formal Complaint	Final Order
Grower Class A	1	1	1
Grower Class B	0	0	0
Grower Class C	0	2	0
Processor	0	2	2
Provisioning Center	1	2	2
Safety Compliance Facility	0	1	0
Secure Transporter	0	0	0

9. Complaints and Investigations

Complaints and Investigations	
March 1 - March 31	
Enforcement & Legal Data	Amount
Number of Complaints Received*	138
Number of Investigations Opened*	111
Number of Investigations Closed*	104
Average Time to Complete an Investigation* (Calendar Days)	29
Number of Enforcement Actions Taken*	37
* Includes both MMFL and AU data	

10. Number of Administrative Hearing Adjudications

Number of administrative hearing adjudications pertaining to each regulated activity.

Provided are all final orders for denials.

Approximate Amounts: 3

Number of administrative hearings pertaining to each regulated activity.

Provided are all the hearings that have been involved with the MRA, e.g., denials, lawsuits, etc.

Approximate Amounts:

Denials: 2

Litigation: 1

Circuit Court Appeals: 0

11. Revenue and Expenses

Application Fees	
March 1 - March 31	
Amount	
March	\$342,673.29

Regulatory Assessment Fees								
March 1 - March 31								
	Grower Class A	Grower Class B	Grower Class C	Processor	Provisioning Center	Safety Compliance Facility	Secure Transporter	Total
March	\$21,000	\$42,000	\$259,365	\$78,362	\$171,813	\$0	\$0	\$572,540

Renewal								
March 1 - March 31								
	Grower Class A	Grower Class B	Grower Class C	Processor	Provisioning Center	Safety Compliance Facility	Secure Transporter	Total
March	\$25,667	\$9,333	\$315,000	\$84,000	\$271,250	\$0	\$0	\$705,250

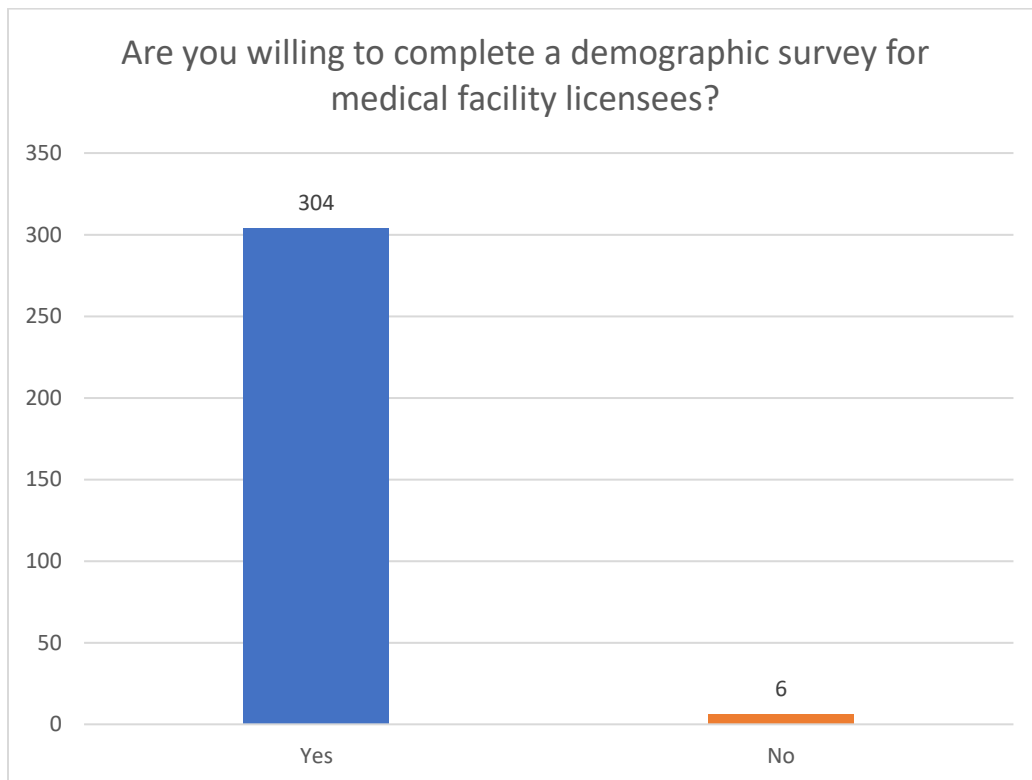
Total Licensing Revenue Collected	
March 1 - March 31	
Amount	
March	\$1,620,463.29

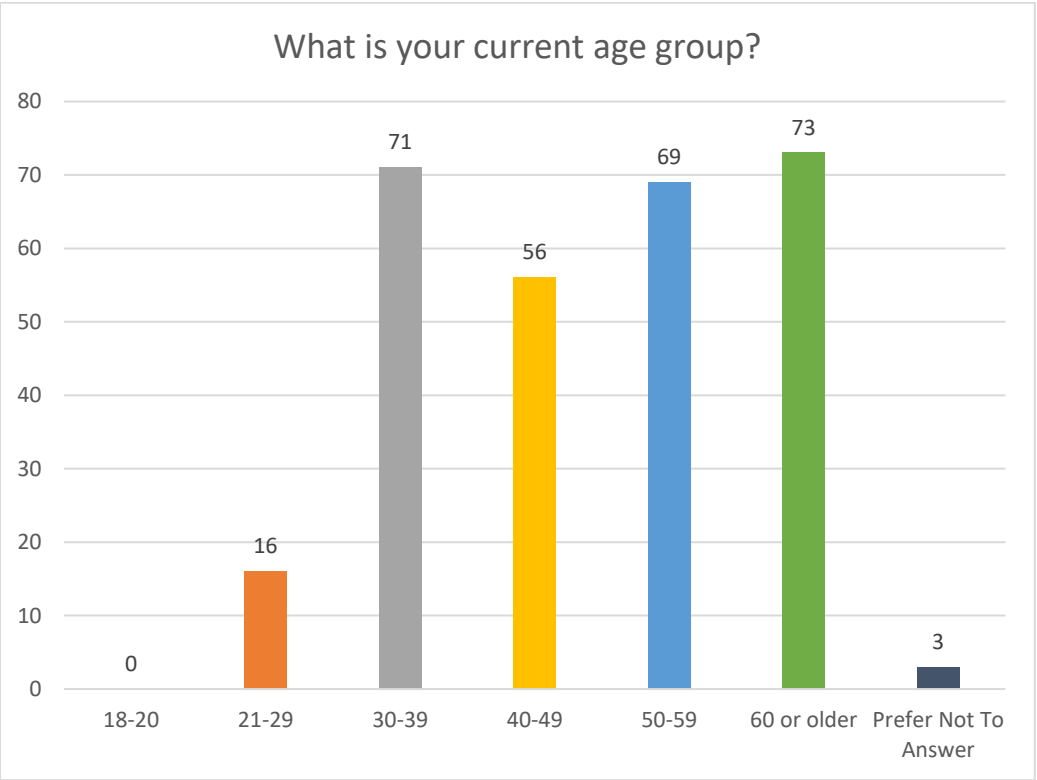
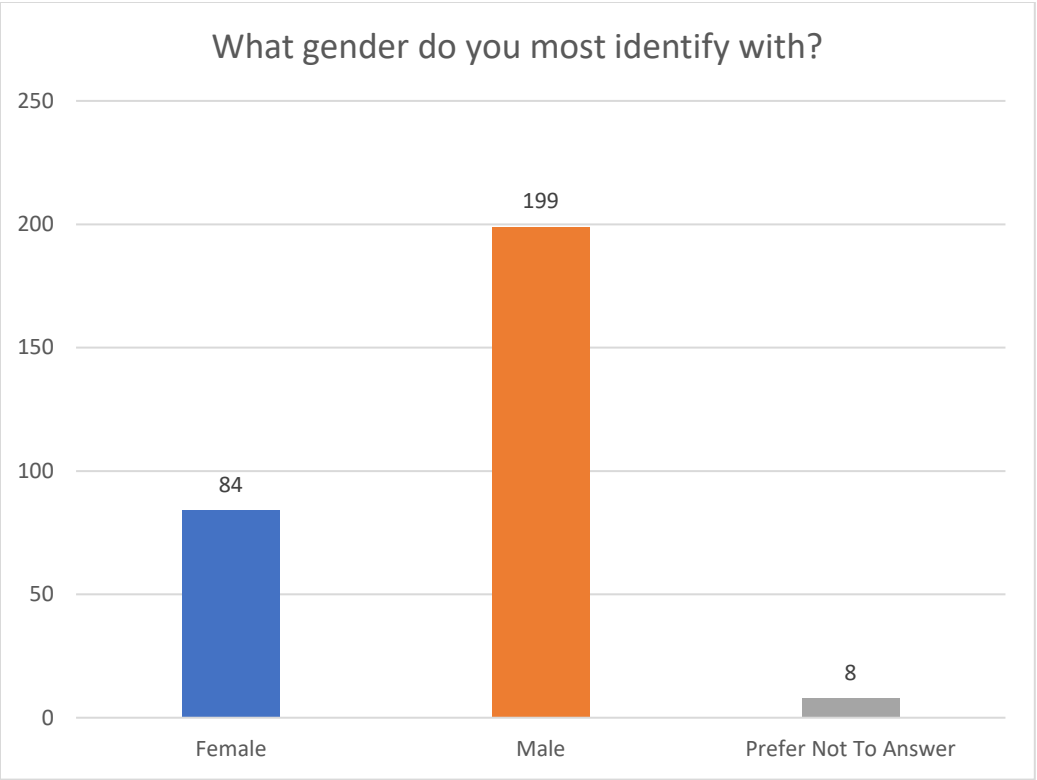
Expenses	
March 1 - March 31	
Amount	
State Employee Wages	\$324,453.21
State Employee Benefits	\$238,301.65
Materials and Equipment	\$7,072.06
Other Contracts	(\$1,121.93)
All Other Costs	\$120,022.93
March Total	\$688,727.92

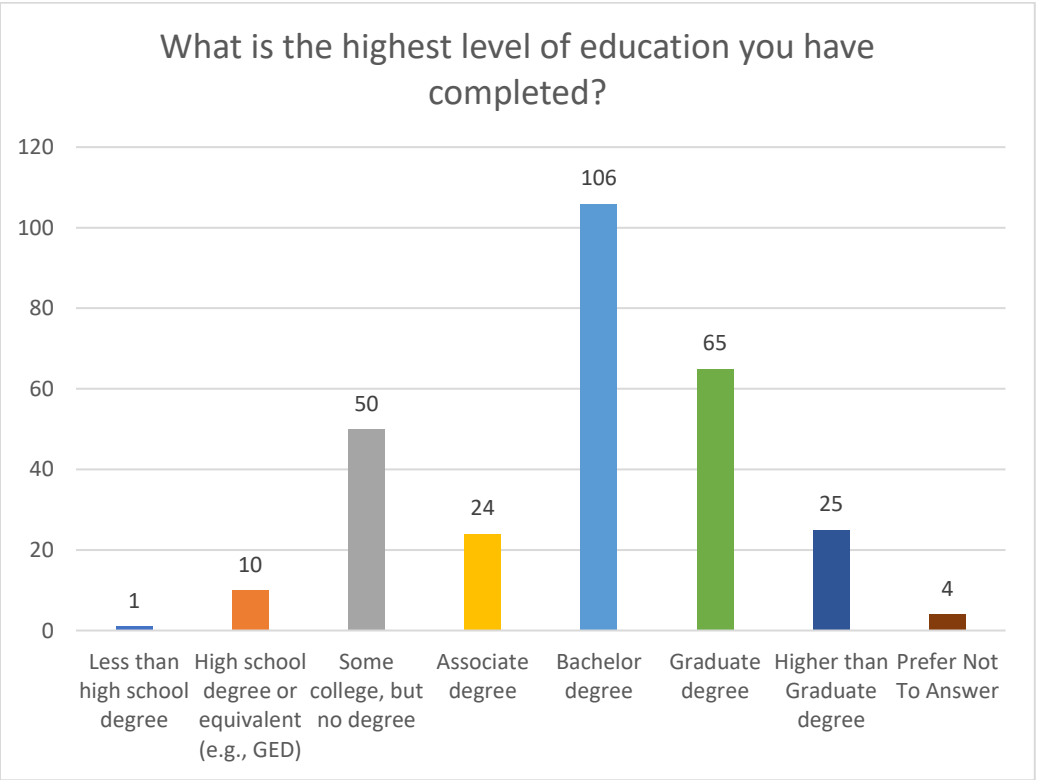
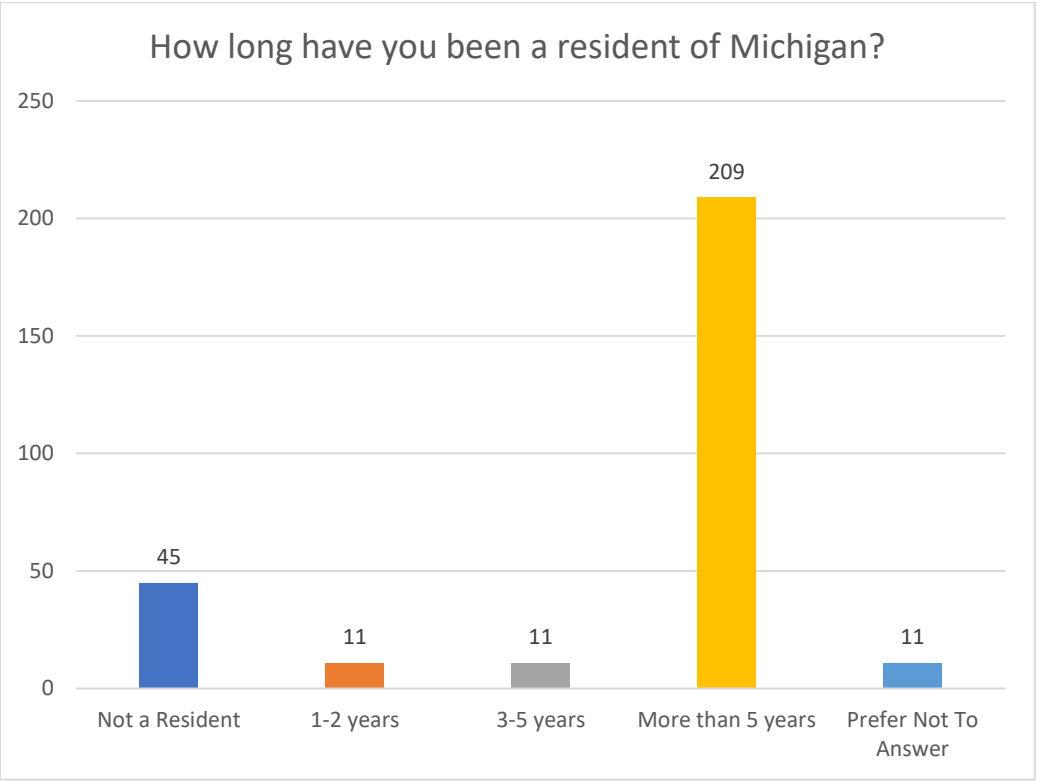
12. Municipalities Opting In to the MMFLA

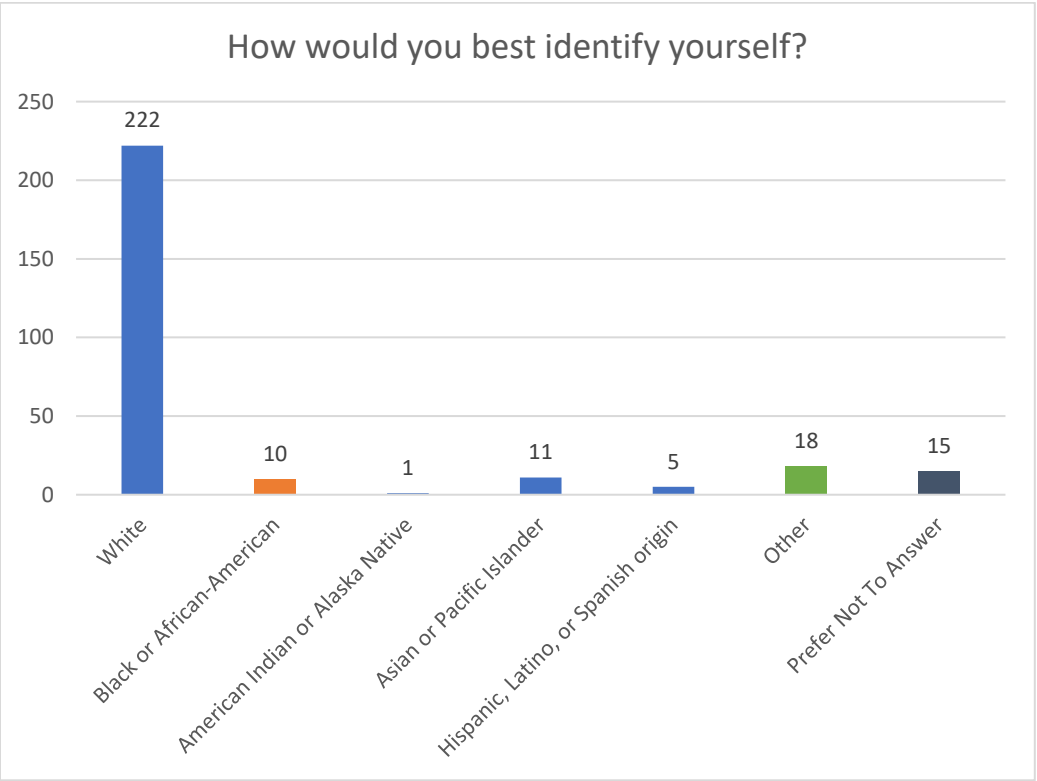
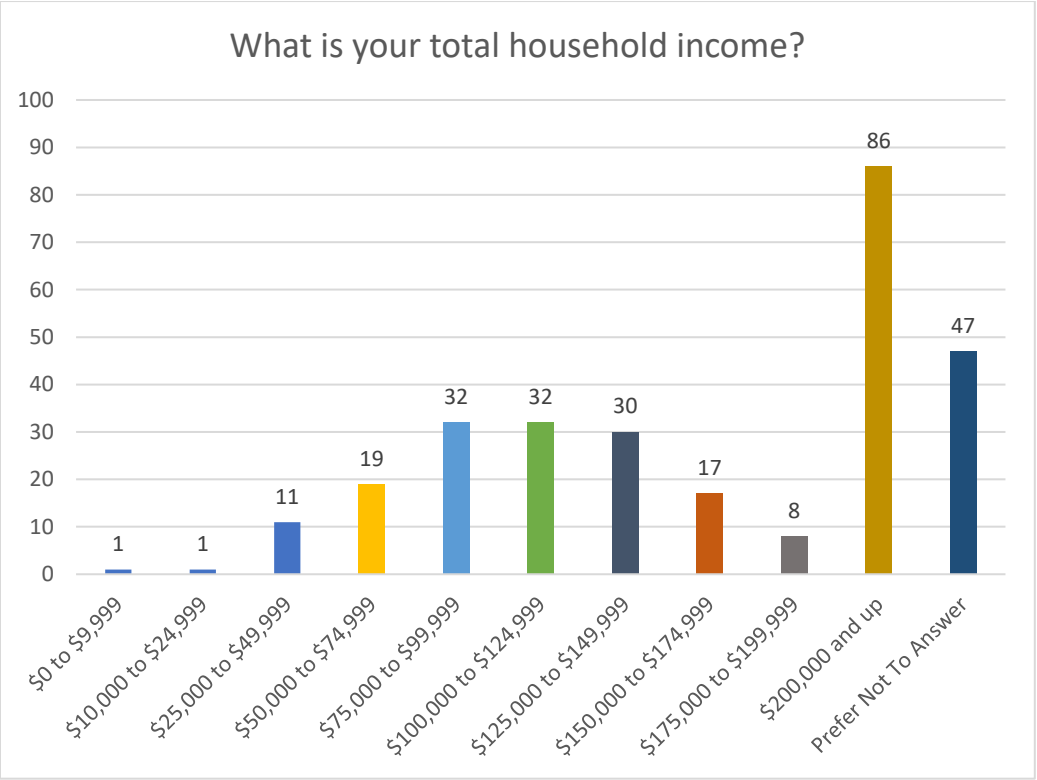
Municipalities
As of March 31, 2021
Opting In
154

13. Demographic Information









Adult-Use Establishment Licensing

1. Product Sales

Sales by Product Type			
March 1 - March 31			
Product Type	Pounds Sold	Fluid Ounces Sold	Total Sales
Flower	12,438.76		\$50,731,470.01
Shake/Trim	1,561.69		\$5,457,426.92
Concentrate	377.44		\$7,540,489.13
Vape Cartridge	828.74		\$17,984,162.48
Kief	8.08		\$82,014.68
Infused-Edible	74,806.85		\$14,678,176.35
Infused Non-Edible Solid	311.19		\$301,199.00
Infused Liquid		16,681.45	\$514,620.18
Infused Non-Edible Liquid		2,017.66	\$57,073.83
March Total	90,332.75	18,699.11	\$97,590,757.75

Additional Sales Information	
March 1 - March 31	
Category	Amount
Sales To Date (Mar. 31)	\$755,854,329.24
Sales Deliveries	\$3,592,258.82
Average Retail Flower Price (oz.)	\$254.91

2. Plants

Plants	
Active Plants	
As of March 31, 2021	
Plant State	Number
Immature	88,729
Vegetative	87,079
Flowering	144,922

Destroyed & Harvested Plants	
March 1 – March 31	
Plant State	Number
Immature - Destroyed	17,141
Vegetative - Destroyed	7,599
Flowering - Destroyed	1,206
Plants Harvested	61,505

3. Packages and Inventory

Packages	
As of March 31, 2021	
Package State	Number
Active	318,003
On Hold	324
In Transit	5,343
March 1 – March 31	
Package State	Number
Finished	69,152

Inventory	
As of March 31, 2021	
Category	Amount (lbs.)
Flower at Growers (Test Passed)	17,813.80
Flower at Retailers	23,530.20
Flower at Processors	19,923.50
Fresh Frozen Flower at Processors	7,671.99
Concentrates at Processors	7,753.40
Infused Solids at Processors	151,559.40
Infused Liquids at Processors (Fl. Oz.)	69,247.83

4. Transfers

Shipped Products		
March 1 - March 31		
License Type	Shipped Pounds	Fluid Ounces Shipped
Class B Marijuana Grower	1,354.42	0
Class C Marijuana Grower	38,334.65	1,472.92
Excess Grower	5,671.99	0
Microbusiness	.90	0
Processor	107,060.91	21,077.98
Retailer	1,502.28	473.85
Safety Compliance Facility	.31	0
Secure Transporter	136,769.93	20,756.71

Transfers	
March 1 – March 31	
Transfer Type	Number
Completed	10,407
Voided	157

5. Initial Applications

	Initial Applications		
	March 1 - March 31		
	Applications Received	Licenses Issued	Licenses Denied
Prequalification	199	79	0
Class A Marijuana Grower	2	1	0
Class B Marijuana Grower	6	3	0
Class C Marijuana Grower	17	8	0
Designated Consumption Establishment	0	0	0
Marijuana Event Organizer	1	0	0
Excess Grower	4	3	0
Microbusiness	1	0	0
Processor	4	4	0
Retailer	28	17	0
Safety Compliance Facility	0	0	0
Secure Transporter	2	2	0
Temporary Marijuana Event	1	0	0
Social Equity Class A Marijuana Grower	0	0	0
Social Equity Class B Marijuana Grower	3	1	0
Social Equity Class C Marijuana Grower	0	0	0
Social Equity Designated Consumption Establishment	0	0	0
Social Equity Marijuana Event Organizer	0	0	0
Social Equity Excess Grower	0	0	0
Social Equity Microbusiness	1	0	0
Social Equity Processor	0	0	0
Social Equity Retailer	3	0	0
Social Equity Safety Compliance Facility	0	0	0
Social Equity Secure Transporter	0	0	0
Social Equity Marijuana Temporary Event	0	0	0
March Total	272	118	0

6. Renewal Applications

	Renewal Applications		
	March 1 - March 31		
	Applications Received	Licenses Issued	Licenses Denied
Class A Marijuana Grower	0	0	0
Class B Marijuana Grower	0	0	0
Class C Marijuana Grower	10	7	0
Designated Consumption Establishment	0	0	0
Marijuana Event Organizer	2	2	0
Excess Grower	0	0	0
Microbusiness	0	0	0
Processor	5	7	0
Retailer	12	11	0
Safety Compliance Facility	1	1	0
Secure Transporter	3	2	0
Temporary Marijuana Event	0	0	0
Social Equity Class A Marijuana Grower	0	0	0
Social Equity Class B Marijuana Grower	1	0	0
Social Equity Class C Marijuana Grower	0	4	0
Social Equity Designated Consumption Establishment	0	0	0
Social Equity Marijuana Event Organizer	0	1	0
Social Equity Excess Grower	0	0	0
Social Equity Microbusiness	0	0	0
Social Equity Processor	0	1	0
Social Equity Retailer	0	2	0
Social Equity Safety Compliance Facility	0	0	0
Social Equity Secure Transporter	0	0	0
Social Equity Marijuana Temporary Event	0	0	0
March Total	34	38	0

7. Application Processing Time

Application Processing Days (Calendar Days)		
March 1 - March 31		
License Type	Initial Applications	Renewal Applications
Prequalification	56.01	--
Class A Marijuana Grower	22.00	--
Class B Marijuana Grower	43.00	--
Class C Marijuana Grower	37.13	22.00
Designated Consumption Establishment	--	--
Marijuana Event Organizer	--	14.50
Excess Grower	19.67	--
Microbusiness	--	--
Processor	31.25	20.86
Retailer	30.41	32.09
Safety Compliance Facility	--	26.00
Secure Transporter	34.00	49.50
Temporary Marijuana Event	--	--
Social Equity Class A Marijuana Grower	--	--
Social Equity Class B Marijuana Grower	40.00	--
Social Equity Class C Marijuana Grower	--	21.25
Social Equity Designated Consumption Establishment	--	--
Social Equity Marijuana Event Organizer	--	16.00
Social Equity Excess Grower	--	--
Social Equity Microbusiness	--	--
Social Equity Processor	--	4.00
Social Equity Retailer	--	14.50
Social Equity Safety Compliance Facility	--	--
Social Equity Secure Transporter	--	--
Social Equity Temporary Marijuana Event	--	--
March Step 2 Average	32.23	--
March Total Average	47.95	24.76

8. Actions Taken by the MRA

Disciplinary Actions Taken by the MRA			
March 1 - March 31			
License Type	Warning	Formal Complaint	Final Order
Class A Marijuana Grower	0	0	0
Class B Marijuana Grower	0	0	0
Class C Marijuana Grower	0	0	0
Designated Consumption Establishment	0	0	0
Marijuana Event Organizer	0	0	0
Excess Grower	0	0	0
Microbusiness	0	0	0
Processor	0	0	1
Retailer	1	2	0
Safety Compliance Facility	0	0	0
Secure Transporter	0	0	0
Temporary Marijuana Event	0	0	0

9. Applications not Processed within Established Time Requirements

Applications Not Timely Processed	
March 1 - March 31	
Initial	Renewal
0%	0%

10. Complaints and Investigations

Complaints and Investigations	
March 1 - March 31	
Enforcement & Legal Data	Amount
Number of Complaints Received*	138
Number of Investigations Opened*	11
Number of Investigations Closed*	104
Average Time to Complete an Investigation* (Calendar Days)	29
Number of Enforcement Actions Taken*	37
* Includes both MMFL and AU data	

11. Number of Administrative Hearing Adjudications

Number of administrative hearing adjudications pertaining to each regulated activity.

Provided are all final orders for denials.

Approximate Amounts: 3

Number of administrative hearings pertaining to each regulated activity.

"Regulated activity" means the particular activities, entities, facilities, and industries regulated by the agencies. Provided are all the hearings that have been involved with the MRA, e.g., denials, lawsuits, etc.

Approximate Amounts:

Denials: 2

Litigation: 1

Circuit Court Appeals: 0

12. Revenue and Expenses

Application Fees			
March 1 - March 31			
	Prequalification	Social Equity Prequalification	Total
March	\$720,000	\$320,700	\$1,040,700

Regulatory Assessment Fees								
March 1 - March 31								
	Class A Marijuana Grower	Class B Marijuana Grower	Class C Marijuana Grower	Designated Consumption Establishment	Marijuana Event Organizer	Excess Grower	Microbusiness	Processor
March	\$4,000	\$24,000	\$328,000	\$0	\$0	\$113,097	\$0	\$140,273
	Retailer	Safety Compliance Facility	Secure Transporter	Temporary Marijuana Event	Social Equity Class A Marijuana Grower	Social Equity Class B Marijuana Grower	Social Equity Class C Marijuana Grower	Social Equity Designated Consumption Establishment
March	\$368,423	\$0	\$50,000	\$0	\$0	\$5,200	\$0	\$0
	Social Equity Marijuana Event Organizer	Social Equity Excess Grower	Social Equity Microbusiness	Social Equity Processor	Social Equity Retailer	Social Equity Safety Compliance Facility	Social Equity Secure Transporter	Social Equity Temporary Marijuana Event
March	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Regulatory Assessment Fees								
March	\$1,032,993							

Renewal Fees								
March 1 - March 31								
	Class A Marijuana Grower	Class B Marijuana Grower	Class C Marijuana Grower	Designated Consumption Establishment	Marijuana Event Organizer	Excess Grower	Microbusiness	Processor
March	\$0	\$0	\$410,000	\$0	\$2,000	\$0	\$0	\$200,000
	Retailer	Safety Compliance Facility	Secure Transporter	Temporary Marijuana Event	Social Equity Class A Marijuana Grower	Social Equity Class B Marijuana Grower	Social Equity Class C Marijuana Grower	Social Equity Designated Consumption Establishment
March	\$270,000	\$20,000	\$70,000	\$0	\$0	\$4,000	\$0	\$0
	Social Equity Marijuana Event Organizer	Social Equity Excess Grower	Social Equity Microbusiness	Social Equity Processor	Social Equity Retailer	Social Equity Safety Compliance Facility	Social Equity Secure Transporter	Social Equity Temporary Marijuana Event
March	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Renewal Fees								
March	\$976,000							

Total Licensing Revenue Collected	
March 1 - March 31	
Amount	
March	\$3,049,693

Expenses	
March 1 - March 31	
Amount	
State Employee Wages	\$216,386.91
State Employee Benefits	\$159,947.57
Materials and Equipment	\$2,202.63
Other Contracts	\$702.24
All Other Costs	\$82,607.45
March Total	\$461,846.80

13. Social Equity Applications

Social Equity Applications			
March 1 - March 31			
	Received	Eligible	Ineligible
March	227	212	6

14. Social Equity Education & Outreach

Outreach Sessions	
March 1 - March 31	
Sessions Held	
March	1

15. Social Equity Application Assistance Provided

Application Assistance Provided	
March 1 - March 31	
Number of Times	
March	61

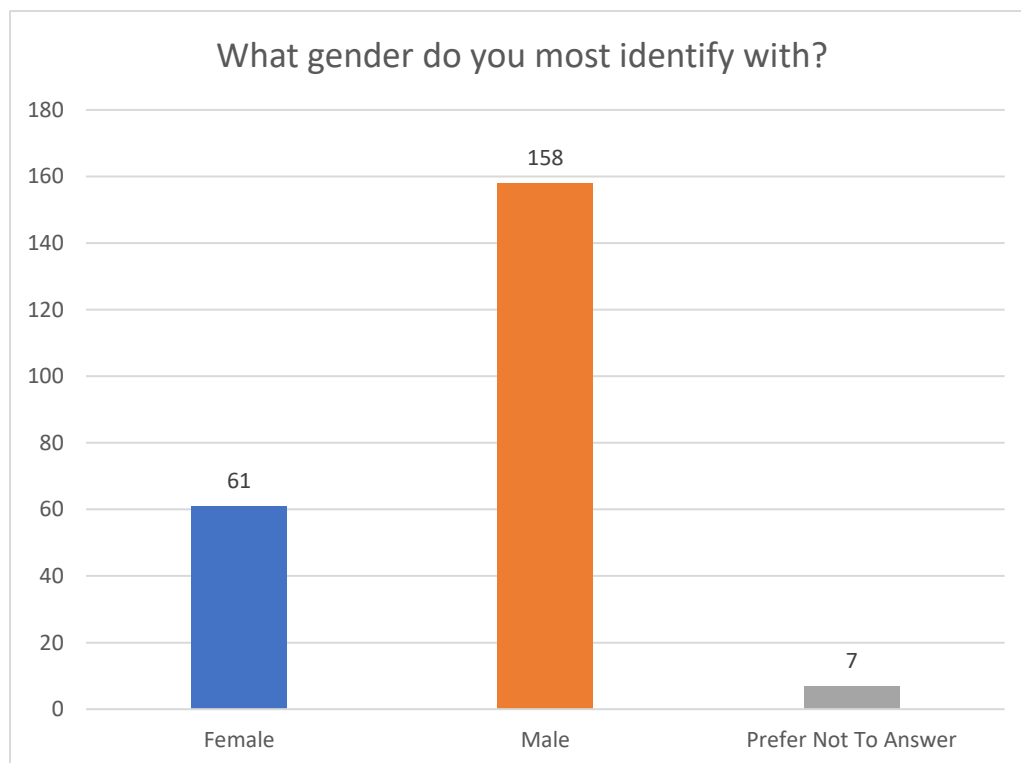
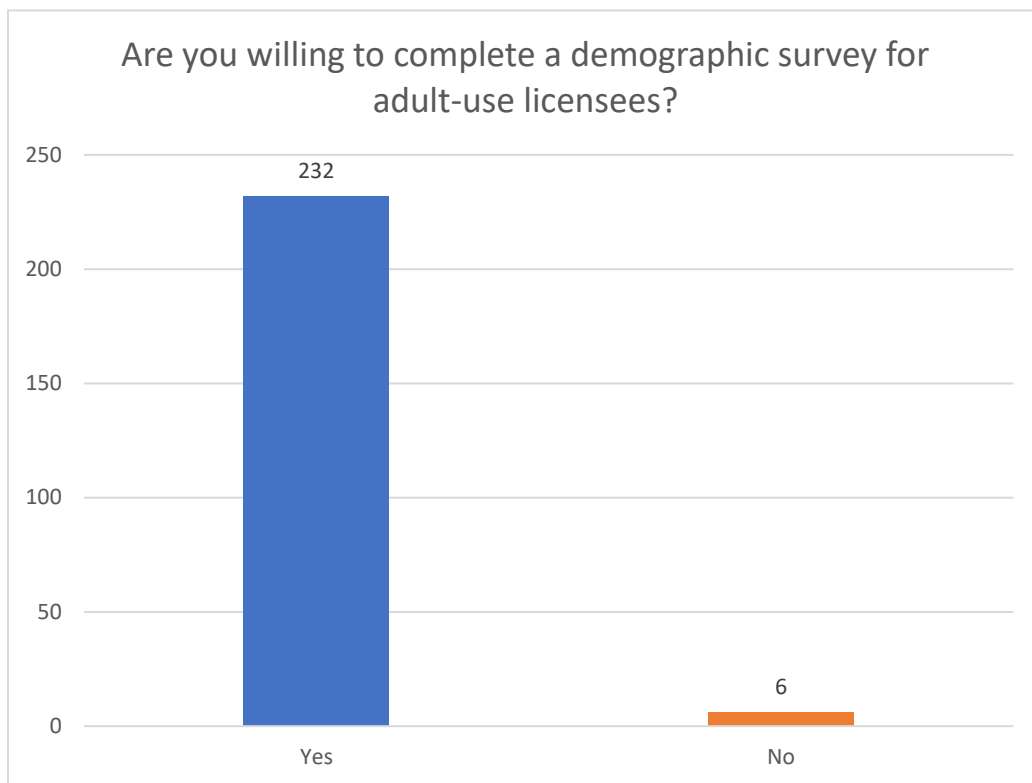
16. Municipalities Opting In or Out of MRTMA

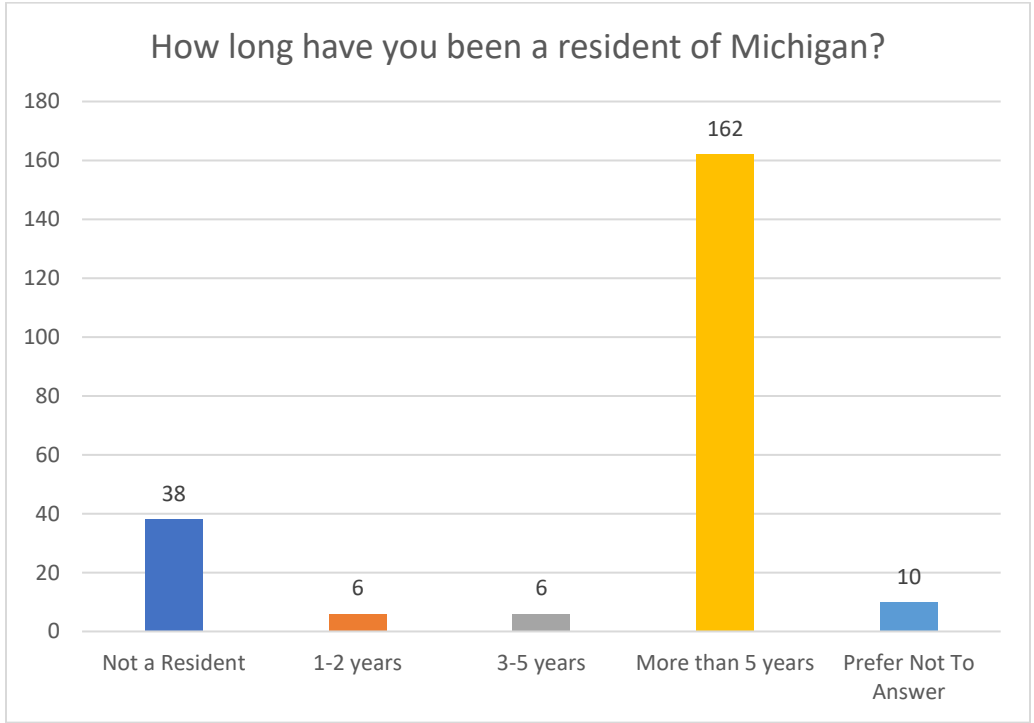
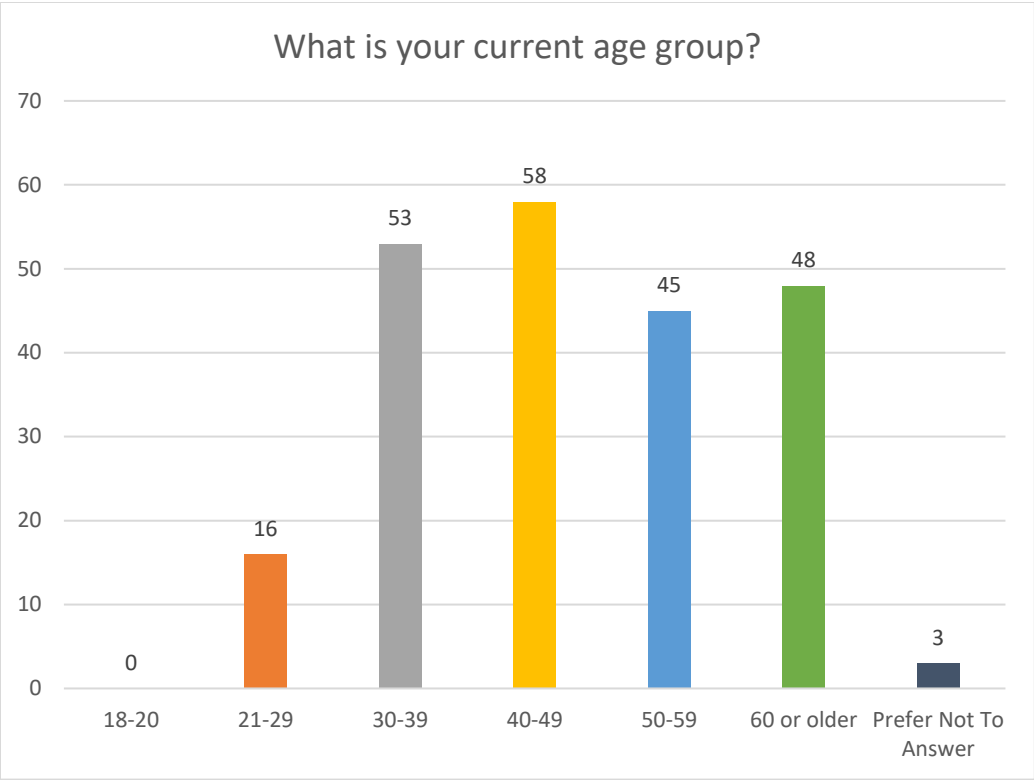
Municipalities	
As of March 31, 2021	
Opting In	Opting Out
97	1,402

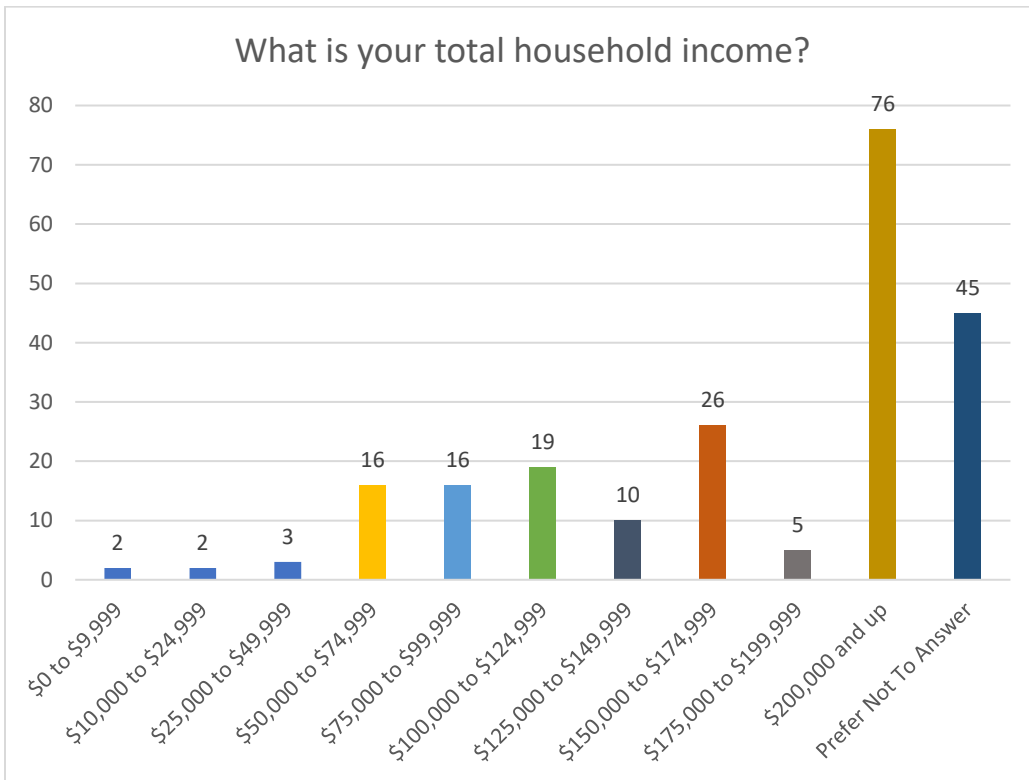
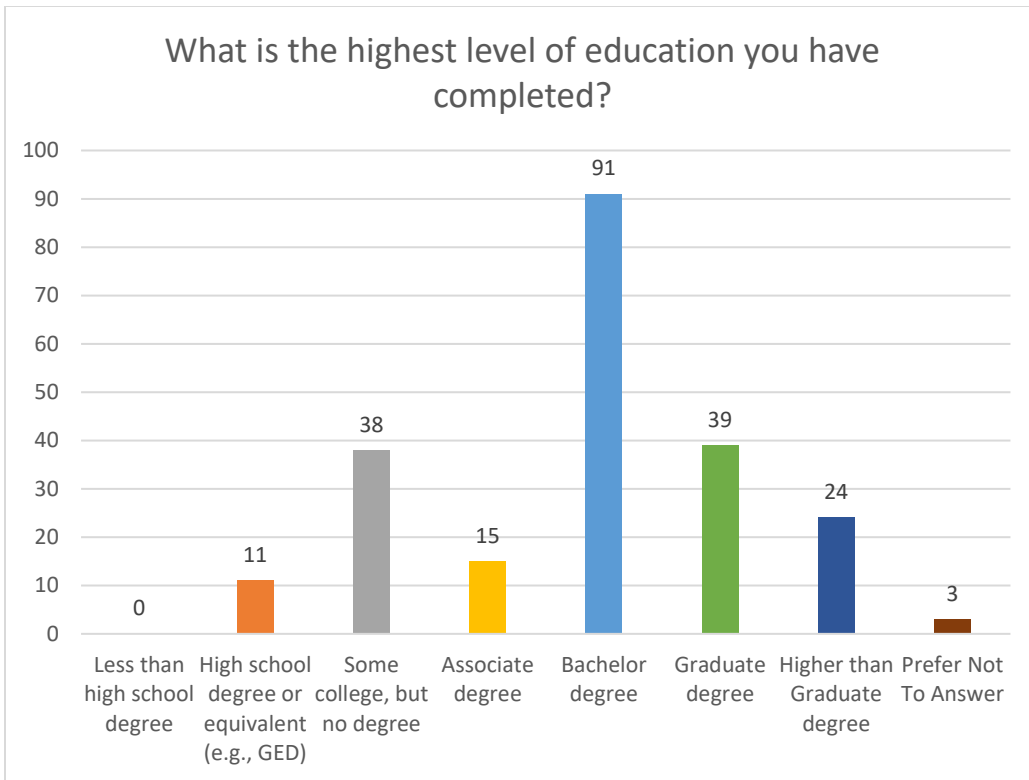
17. MTIS Criminal Enforcement Data

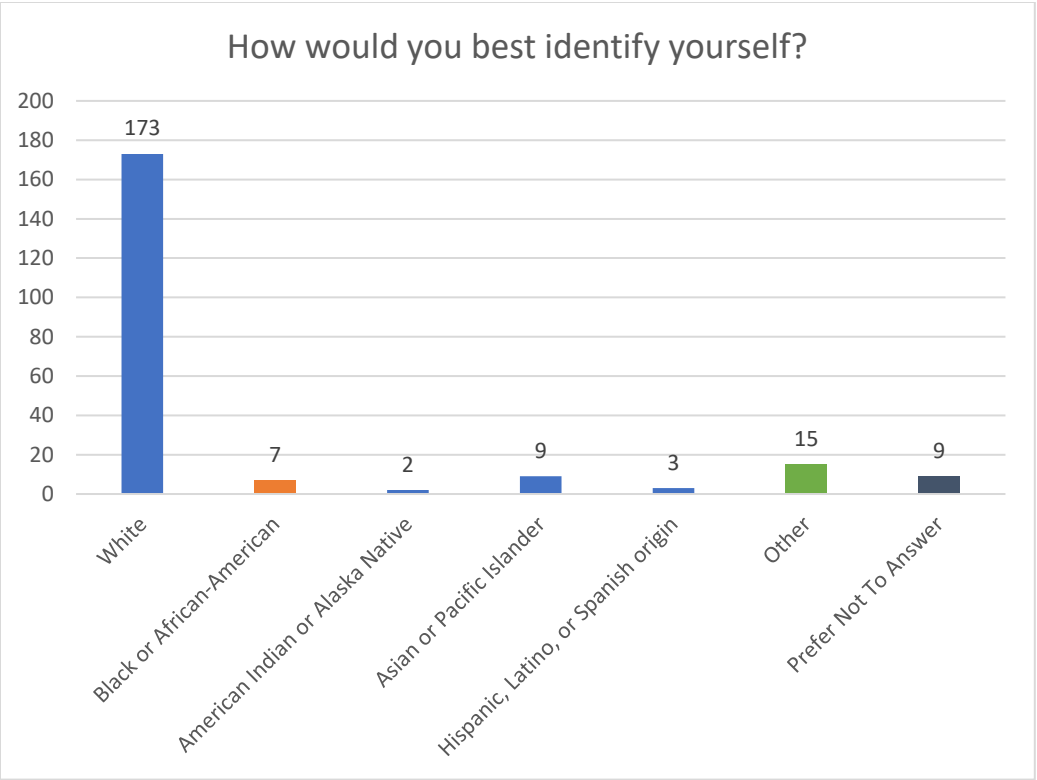
For the second quarter of fiscal year 2021 MTIS seized 2,318 plants, 2,532 pounds of flower, and approximately 48,000 units of other cannabis products from the illicit market.

18. Demographic Information









Medical Marijuana Registry Program

1. Initial Applications

Initial Applications		
March 1 - March 31		
Received	Issued	Denied
10,844	9,904	942

2. Renewal Applications

Renewal Applications		
March 1 - March 31		
Received	Issued	Denied
2,468	2,297	118

3. Application Processing Time

Initial Applications (Calendar Days)					
March 1 - March 31					
Approvals			Denials		
Paper	Online	Combined	Paper	Online	Combined
4,367	5,537	9,904	801	141	942

Renewal Applications (Calendar Days)					
March 1 - March 31					
Approvals			Denials		
Paper	Online	Combined	Paper	Online	Combined
996	1,301	2,297	82	36	118

4. Number of Applications Filed for Registry Identification Cards

Applications Filed for Registry Identification Cards							
March 1 - March 31							
Original Applications				Renewals			Grand Total
Paper	Online	Total	Paper	Online	Total		
March	5,166	5,678	10,844	1,131	1,337	2,468	13,312

5. Number of Qualifying Patients and Primary Caregivers Approved in Each County

As of March 31, 2021					
County	Patients	Caregivers	County	Patients	Caregivers
Alcona	621	76	Lake	257	52
Alger	619	108	Lapeer	3,557	485
Allegan	5,236	702	Leelanau	715	69
Alpena	726	83	Lenawee	3,274	460
Antrim	1,253	191	Livingston	3,755	440
Arenac	1,176	142	Luce	82	18
Baraga	129	16	Mackinac	191	30
Barry	2,245	295	Macomb	29,353	4,329
Bay	5,294	373	Manistee	411	66
Benzie	1,067	137	Marquette	271	97
Berrien	3,868	637	Mason	433	59
Branch	1,800	305	Mecosta	206	38
Calhoun	2,696	401	Menominee	379	93
Cass	1,597	289	Midland	2,206	233
Charlevoix	347	47	Missaukee	191	34
Cheboygan	656	86	Monroe	4,342	500
Chippewa	501	79	Montcalm	1,721	307
Clare	1,547	262	Montmorency	107	38
Clinton	3,225	382	Muskegon	2,879	368
Crawford	1,047	123	Newaygo	1,620	249
Delta	708	138	Oakland	36,990	4,102
Dickinson	554	121	Oceana	1,273	220
Eaton	3,306	460	Ogemaw	449	45
Emmet	147	37	Ontonagon	116	20
Genesee	9,687	1,378	Osceola	371	90
Gladwin	38	23	Oscoda	205	19
Gogebic	330	75	Otsego	90	32
Grand Traverse	1,136	135	Ottawa	3,169	351
Gratiot	241	50	Out of State	0	9
Hillsdale	1,142	225	Presque Isle	118	28
Houghton	247	45	Roscommon	506	68
Huron	505	37	Saginaw	3,740	406
Ingham	2,277	440	Saint Clair	4,101	538
Ionia	234	54	Saint Joseph	688	134
Iosco	221	28	Sanilac	822	122
Iron	173	39	Schoolcraft	35	19
Isabella	446	70	Shiawassee	2,637	331
Jackson	4,148	562	Tuscola	3,556	553
Kalamazoo	3,314	433	Van Buren	1,738	301
Kalkaska	309	52	Washtenaw	12,266	1,131
Kent	8,322	826	Wayne	46,638	4,099
Keweenaw	158	28	Wexford	1,205	221
			Total	249,956	30,794

6. **Registry Identification Cards Revoked**

Registry Identification Cards Revoked	
Month	Revoked
March	403

7. **Nature of the Debilitating Medical Conditions of the Qualifying Patients.**

As of March 31, 2021	
Condition	Percent of Total
Agitation of Alzheimer's Disease	0.02
AIDS	0.05
Amyotrophic Lateral Sclerosis	0.03
Arthritis	19.85
Autism	0.34
Cachexia or Wasting Syndrome	0.25
Cancer	3.25
Cerebral Palsy	0.06
Chronic Pain	61.65
Colitis	0.43
Crohn's Disease	0.63
Glaucoma	1.22
Hepatitis C	0.51
HIV Positive	0.35
Inflammatory Bowel Disease	1.09
Muscle Spasms	8.81
Nail Patella	0.00
Obsessive Compulsive Disorder	1.62
Parkinson's Disease	0.14
Post-Traumatic Stress Disorder	7.50
Rheumatoid Arthritis	1.57
Seizures	1.58
Severe and Chronic Pain	44.10
Severe Nausea	7.26
Spinal Cord Injury	0.47
Tourette's Syndrome	0.08
Ulcerative Colitis	0.29

8. Number of Physicians Providing Written Certifications for Qualifying Patients

Physicians Providing Written Certifications	
As of March 1, 2021	
Month	Physicians
March	403

9. Applications not Processed within Established Time Requirements

Applications not Timely Processed	
March 1 - March 31	
Initial	Renewal
0.01%	0.00%

10. Revenue and Expenses

Revenue Collected	
March 1 - March 31	
	Amount
March	\$501,291

Expenses	
March 1 - March 31	
	Amount
State Employee Wages	135,548.10
State Employee Benefits	\$102,258.93
Materials and Equipment	\$8,424.78
Educational Expenses on Behalf of Clients or Students	\$403.84
Other Contracts	\$5,693.09
All Other Costs	\$59,340.39
March Total	\$311,669.13



Monthly Report

February 1, 2021 – February 28, 2021



Governor
Gretchen Whitmer



Executive Director
Andrew Brisbo



Director
Orlene Hawks

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Medical Marijuana Facility Licensing

1. Product Sales

Sales by Product Type			
February 1 - February 28			
Product Type	Pounds Sold	Fluid Ounces Sold	Total Sales
Flower	4,832.90		\$17,725,112.09
Shake/Trim	491.21		\$1,178,742.16
Concentrate	259.78		\$3,499,815.83
Vape Cartridge	828.91		\$10,699,573.64
Kief	5.03		\$35,258.60
Infused-Edible	33,075.41		\$4,457,135.38
Infused Non-Edible Solid	708.20		\$221,332.77
Infused Liquid		7,390.68	\$255,054.79
Infused Non-Edible Liquid		791.20	\$17,095.62
February Total	40,201.44	8,181.88	\$38,089,120.88

Additional Sales Information	
February 1 - February 28	
Category	Amount
Sales To Date (Feb. 28)	\$862,085,867.11
Sales Deliveries	\$1,702,821.40
Average Retail Flower Price (oz.)	\$229.22

2. Plants

Plants	
Active Plants	
As of February 28, 2021	
Plant State	Number
Immature	65,612
Vegetative	102,715
Flowering	76,328

Destroyed & Harvested Plants	
February 1 – February 28	
Plant State	Number
Immature - Destroyed	20,538
Vegetative - Destroyed	9,653
Flowering - Destroyed	1,388
Plants Harvested	34,501

3. Packages and Inventory

Packages	
As of February 28, 2021	
Package State	Number
Active	330,384
On Hold	1,863
In Transit	2,625
February 1 – February 28	
Package State	Number
Finished	33,382

Inventory	
As of February 28, 2021	
Category	Amount (lbs.)
Flower at Growers (Test Passed)	12,993.91
Flower at Provisioning Centers	27,413.54
Flower at Processors	17,420.38
Fresh Frozen Flower at Processors	29,920.00
Concentrates at Processors	14,078.19
Infused Solids at Processors	143,832.05
Infused Liquids at Processors (Fl. Oz.)	547,652.45

4. Transfers

Products Shipped		
February 1 - February 28		
License Type	Pounds Shipped	Fluid Ounces Shipped
Grower Class A	44,002.48	5,289.11
Grower Class B	2,798.15	0
Grower Class C	221,407.28	13,730.76
Processor	434,969.51	134,279.00
Provisioning Center	12,881.19	2,857.76
Safety Compliance Facility	162.28	0
Secure Transporter	72,140.08	5,626.24

Transfers	
February 1 – February 28	
Transfer Type	Number
Completed	6,098
Voided	99

5. Initial Applications

Initial Applications			
February 1 - February 28			
License Type	Received	Approved	Denied
Prequalification	34	54	2
Grower Class A	3	1	0
Grower Class B	1	1	0
Grower Class C	30	16	0
Processor	3	6	0
Provisioning Center	15	18	0
Safety Compliance Facility	0	0	0
Secure Transporter	0	1	0
Total	86	97	2

6. Renewal Applications

Renewal Applications			
February 1 - February 28			
License Type	Received	Approved	Denied
Grower Class A	4	0	0
Grower Class B	0	2	0
Grower Class C	15	11	0
Processor	5	4	0
Provisioning Center	17	13	0
Safety Compliance Facility	1	0	0
Secure Transporter	1	3	0
Total	43	33	0

7. Application Processing Time

Application Processing Time (Calendar Days)		
February 1 - February 28		
License Type	Initial Applications	Renewal Applications
Prequalification	67.85	--
Grower Class A	49	--
Grower Class B	81	72.50
Grower Class C	106.63	45.00
Processor	329.33	29.50
Provisioning Center	93.78	55.69
Safety Compliance Facility	--	--
Secure Transporter	109.00	84.33
February Step 2 Average	130.44	--
February Total Average	95.60	52.58

8. Actions Taken by the MRA

Disciplinary Actions Taken by the MRA			
February 1 - February 28			
License Type	Warning	Formal Complaint	Final Order
Grower Class A	0	0	0
Grower Class B	0	0	0
Grower Class C	0	1	1
Processor	0	0	1
Provisioning Center	1	1	4
Safety Compliance Facility	0	0	3
Secure Transporter	0	0	0

9. Complaints and Investigations

Complaints and Investigations	
February 1 - February 28	
Enforcement & Legal Data	Amount
Number of Complains Received*	173
Number of Investigations Opened*	132
Number of Investigations Closed*	124
Average Time to Complete an Investigation* (Calendar Days)	22
Number of Enforcement Actions Taken*	23
* Includes both MMFL and AU data	

10. Number of Administrative Hearing Adjudications

Number of administrative hearing adjudications pertaining to each regulated activity.

Provided are all final orders for denials.

Approximate Amounts: 1 Consolidated Final Order (16 individual licenses)

Number of administrative hearings pertaining to each regulated activity.

Provided are all the hearings that have been involved with the MRA, e.g., denials, lawsuits, etc.

Approximate Amounts:

Denials: 2

Litigation: 0

Circuit Court Appeals: 0

11. Revenue and Expenses

Application Fees	
February 1 - February 28	
Amount	
February	\$204,000

Regulatory Assessment Fees								
February 1 - February 28								
	Grower Class A	Grower Class B	Grower Class C	Processor	Provisioning Center	Safety Compliance Facility	Secure Transporter	Total
February	\$7,000	\$14,000	\$264,600	\$120,994	\$205,073	\$0	\$13,125	\$624,792

Renewal								
February 1 - February 28								
	Grower Class A	Grower Class B	Grower Class C	Processor	Provisioning Center	Safety Compliance Facility	Secure Transporter	Total
February	\$23,334	\$0	\$287,000	\$63,000	\$210,000	\$0	\$13,125	\$647,209

Total Licensing Revenue Collected	
February 1 - February 28	
Amount	
February	\$1,476,001

Expenses	
February 1 - February 28	
Amount	
State Employee Wages	\$371,877.98
State Employee Benefits	\$232,669.68
Materials and Equipment	\$8,614.84
Other Contracts	\$2,006.40
All Other Costs	\$267,316.55
February Total	\$882,485.45

12. Municipalities Opting In to the MMFLA

Municipalities
As of February 28, 2021
Opting In
154

Adult-Use Establishment Licensing

1. Product Sales

Sales by Product Type			
February 1 - February 28			
Product Type	Pounds Sold	Fluid Ounces Sold	Total Sales
Flower	7,963.17		\$34,043,983.31
Shake/Trim	1,033.15		\$3,605,711.52
Concentrate	230.60		\$4,870,015.14
Vape Cartridge	545.58		\$12,683,849.10
Kief	10.44		\$109,217.90
Infused-Edible	54,083.63		\$11,128,349.17
Infused Non-Edible Solid	234.39		\$208,181.98
Infused Liquid		12,129.37	\$382,571.08
Infused Non-Edible Liquid		1,430.53	\$39,956.17
February Total	64,325.60	13,559.90	\$67,071,835.37

Additional Sales Information	
February 1 - February 28	
Category	Amount
Sales To Date (Feb. 28)	\$658,228,107.40
Sales Deliveries	\$2,224,190.27
Average Retail Flower Price (oz.)	\$267.20

2. Plants

Plants	
Active Plants	
As of February 28, 2021	
Plant State	Number
Immature	65,720
Vegetative	119,414
Flowering	94,957

Destroyed & Harvested Plants	
February 1 – February 28	
Plant State	Number
Immature - Destroyed	27,449
Vegetative - Destroyed	10,769
Flowering - Destroyed	2,418
Plants Harvested	59,906

3. Packages and Inventory

Packages	
As of February 28, 2021	
Package State	Number
Active	244,087
On Hold	563
In Transit	2,524
February 1 – February 28	
Package State	Number
Finished	42,388

Inventory	
As of February 28, 2021	
Category	Amount (lbs.)
Flower at Growers (Test Passed)	18,500.61
Flower at Retailers	14,765.71
Flower at Processors	18,974.58
Fresh Frozen Flower at Processors	8,090.02
Concentrates at Processors	6,315.13
Infused Solids at Processors	186,148.01
Infused Liquids at Processors (Fl. Oz.)	66,737.13

4. Transfers

Shipped Products		
February 1 - February 28		
License Type	Shipped Pounds	Fluid Ounces Shipped
Class B Marijuana Grower	2,189.45	0
Class C Marijuana Grower	66,075.45	937.31
Excess Grower	856.26	0
Processor	308,180.24	81,220.55
Retailer	5,544.27	1,317.25
Safety Compliance Facility	.15	0
Secure Transporter	95,724.75	13,248.96

Transfers	
February 1 – February 28	
Transfer Type	Number
Completed	7,252
Voided	112

5. Initial Applications

	Initial Applications		
	February 1 - February 28		
	Applications Received	Licenses Issued	Licenses Denied
Prequalification	139	60	0
Class A Marijuana Grower	0	0	0
Class B Marijuana Grower	3	1	0
Class C Marijuana Grower	10	10	0
Designated Consumption Establishment	0	0	0
Marijuana Event Organizer	1	1	0
Excess Grower	4	4	0
Microbusiness	1	1	0
Processor	5	1	0
Retailer	20	12	0
Safety Compliance Facility	0	0	0
Secure Transporter	1	1	0
Temporary Marijuana Event	1	0	0
Social Equity Class A Marijuana Grower	0	1	0
Social Equity Class B Marijuana Grower	0	0	0
Social Equity Class C Marijuana Grower	0	0	0
Social Equity Designated Consumption Establishment	0	0	0
Social Equity Marijuana Event Organizer	0	0	0
Social Equity Excess Grower	1	0	0
Social Equity Microbusiness	0	0	0
Social Equity Processor	0	0	0
Social Equity Retailer	1	2	0
Social Equity Safety Compliance Facility	0	0	0
Social Equity Secure Transporter	0	0	0
Social Equity Marijuana Temporary Event	0	0	0
February Total	187	94	0

6. Renewal Applications

	Renewal Applications		
	February 1 - February 28		
	Applications Received	Licenses Issued	Licenses Denied
Class A Marijuana Grower	0	0	0
Class B Marijuana Grower	0	1	0
Class C Marijuana Grower	15	13	0
Designated Consumption Establishment	0	0	0
Marijuana Event Organizer	2	1	0
Excess Grower	2	2	0
Microbusiness	0	0	0
Processor	5	2	0
Retailer	10	21	0
Safety Compliance Facility	1	0	0
Secure Transporter	0	0	0
Temporary Marijuana Event	0	0	0
February Total	35	40	0

7. Application Processing Time

Application Processing Days (Calendar Days)		
February 1 - February 28		
License Type	Initial Applications	Renewal Applications
Prequalification	48.43	--
Class A Marijuana Grower	--	--
Class B Marijuana Grower	70.00	23.00
Class C Marijuana Grower	46.40	9.23
Designated Consumption Establishment	--	--
Marijuana Event Organizer	22.00	5.00
Excess Grower	23.75	7.00
Microbusiness	56.00	--
Processor	25.00	16.00
Retailer	30.08	21.79
Safety Compliance Facility	--	--
Secure Transporter	76.00	--
Temporary Marijuana Event	--	--
Social Equity Class A Marijuana Grower	64.00	--
Social Equity Class B Marijuana Grower	--	--
Social Equity Class C Marijuana Grower	--	--
Social Equity Designated Consumption Establishment	--	--
Social Equity Marijuana Event Organizer	--	--
Social Equity Excess Grower	--	--
Social Equity Microbusiness	--	--
Social Equity Processor	--	--
Social Equity Retailer	25.50	17.00
Social Equity Safety Compliance Facility	--	--
Social Equity Secure Transporter	--	--
Social Equity Temporary Marijuana Event	--	--
February Step 2 Average	36.41	--
February Total Average	43.99	16.05

8. Actions Taken by the MRA

Disciplinary Actions Taken by the MRA			
February 1 - February 28			
License Type	Warning	Formal Complaint	Final Order
Class A Marijuana Grower	0	0	0
Class B Marijuana Grower	0	0	0
Class C Marijuana Grower	0	0	0
Designated Consumption Establishment	0	0	0
Marijuana Event Organizer	0	0	0
Excess Grower	0	0	0
Microbusiness	0	0	0
Processor	0	0	0
Retailer	1	0	0
Safety Compliance Facility	0	0	0
Secure Transporter	0	0	0
Temporary Marijuana Event	0	0	0

9. Applications not Processed within Established Time Requirements

Applications Not Timely Processed	
February 1 - February 28	
Initial	Renewal
0%	0%

10. Complaints and Investigations

Complaints and Investigations	
February 1 - February 28	
Enforcement & Legal Data	Amount
Number of Complaints Received*	173
Number of Investigations Opened*	132
Number of Investigations Closed*	124
Average Time to Complete an Investigation* (Calendar Days)	22
Number of Enforcement Actions Taken*	23
* Includes both MMFL and AU data	

11. Number of Administrative Hearing Adjudications

Number of administrative hearing adjudications pertaining to each regulated activity.

Provided are all final orders for denials.

Approximate Amounts:

Number of administrative hearings pertaining to each regulated activity.

"Regulated activity" means the particular activities, entities, facilities, and industries regulated by the agencies. Provided are all the hearings that have been involved with the MRA, e.g., denials, lawsuits, etc.

Approximate Amounts:

Denials: 2

Litigation: 0

Circuit Court Appeals: 0

12. Revenue and Expenses

Application Fees			
February 1 - February 28			
	Prequalification	Social Equity Prequalification	Total
February	\$582,000	\$167,500	\$749,500

Regulatory Assessment Fees								
February 1 - February 28								
	Class A Marijuana Grower	Class B Marijuana Grower	Class C Marijuana Grower	Designated Consumption Establishment	Marijuana Event Organizer	Excess Grower	Microbusiness	Processor
February	\$0	\$8,000	\$394,411	\$0	\$458	\$160,329	\$8,000	\$40,000
	Retailer	Safety Compliance Facility	Secure Transporter	Temporary Marijuana Event	Social Equity Class A Marijuana Grower	Social Equity Class B Marijuana Grower	Social Equity Class C Marijuana Grower	Social Equity Designated Consumption Establishment
February	\$207,055	\$0	\$25,000	\$0	\$3,000	\$0	\$0	\$0
	Social Equity Marijuana Event Organizer	Social Equity Excess Grower	Social Equity Microbusiness	Social Equity Processor	Social Equity Retailer	Social Equity Safety Compliance Facility	Social Equity Secure Transporter	Social Equity Temporary Marijuana Event
February	\$0	\$0	\$0	\$0	\$37,500	\$0	\$0	\$0
Total Regulatory Assessment Fees								
February	\$883,753							

Renewal Fees								
February 1 - February 28								
	Class A Marijuana Grower	Class B Marijuana Grower	Class C Marijuana Grower	Designated Consumption Establishment	Marijuana Event Organizer	Excess Grower	Microbusiness	Processor
February	\$0	\$0	\$410,000	\$0	\$1,000	\$60,000	\$0	\$140,000
	Retailer	Safety Compliance Facility	Secure Transporter	Temporary Marijuana Event	Social Equity Class A Marijuana Grower	Social Equity Class B Marijuana Grower	Social Equity Class C Marijuana Grower	Social Equity Designated Consumption Establishment
February	\$215,000	\$30,000	\$0	\$0	\$0	\$0	\$170,000	\$0
	Social Equity Marijuana Event Organizer	Social Equity Excess Grower	Social Equity Microbusiness	Social Equity Processor	Social Equity Retailer	Social Equity Safety Compliance Facility	Social Equity Secure Transporter	Social Equity Temporary Marijuana Event
February	\$750	\$0	\$0	\$0	\$25,000	\$0	\$0	\$0
Total Renewal Fees								
February	\$1,051,750							

Total Licensing Revenue Collected	
February 1 - February 28	
Amount	
February	\$2,685,003

Expenses	
February 1 - February 28	
Amount	
State Employee Wages	\$234,614.99
State Employee Benefits	\$159,252.95
Materials and Equipment	\$924.55
All Other Costs	\$144,828.13
February Total	\$539,620.62

13. Social Equity Applications

Social Equity Applications			
February 1 - February 28			
	Received	Eligible	Ineligible
February	209	179	21

14. Social Equity Education & Outreach

Outreach Sessions	
February 1 - February 28	
Sessions Held	
February	2

15. Social Equity Application Assistance Provided

Application Assistance Provided	
February 1 - February 28	
Number of Times	
February	53

16. Municipalities Opting In or Out of MRTMA

Municipalities	
As of February 28, 2021	
Opting In	Opting Out
95	1,403

Medical Marijuana Registry Program

1. Initial Applications

Initial Applications		
February 1 - February 28		
Received	Issued	Denied
7,998	7,209	705

2. Renewal Applications

Renewal Applications		
February 1 - February 28		
Received	Issued	Denied
1,673	1,558	91

3. Application Processing Time

Initial Applications (Calendar Days)					
February 1 - February 28					
Approvals			Denials		
Paper	Online	Combined	Paper	Online	Combined
5.43	0.03	2.52	6.22	0.41	5.55

Renewal Applications (Calendar Days)					
February 1 - February 28					
Approvals			Denials		
Paper	Online	Combined	Paper	Online	Combined
4.52	0.01	1.92	6.61	0.19	4.79

4. Number of Applications Filed for Registry Identification Cards

Applications Filed for Registry Identification Cards							
February 1 - February 28							
Original Applications				Renewals			Grand Total
Paper	Online	Total	Paper	Online	Total		
February	3,324	3,885	7,209	624	81	705	7,914

5. Number of Qualifying Patients and Primary Caregivers Approved in Each County

As of February 28, 2021					
County	Patients	Caregivers	County	Patients	Caregivers
Alcona	620	76	Lake	250	51
Alger	607	105	Lapeer	3,518	484
Allegan	5,118	706	Leelanau	676	67
Alpena	693	80	Lenawee	3,219	464
Antrim	1,211	192	Livingston	3,749	443
Arenac	1,143	135	Luce	73	17
Baraga	130	16	Mackinac	183	30
Barry	2,180	289	Macomb	28,995	4,288
Bay	5,220	372	Manistee	399	63
Benzie	1,031	136	Marquette	270	100
Berrien	3,833	630	Mason	426	58
Branch	1,788	304	Mecosta	206	40
Calhoun	2,635	409	Menominee	374	92
Cass	1,575	294	Midland	2,103	225
Charlevoix	337	47	Missaukee	188	34
Cheboygan	652	84	Monroe	4,294	506
Chippewa	468	82	Montcalm	1,681	307
Clare	1,500	259	Montmorency	106	38
Clinton	3,192	377	Muskegon	2,824	372
Crawford	1,003	120	Newaygo	1,591	242
Delta	694	137	Oakland	36,538	4,030
Dickinson	538	118	Oceana	1,258	208
Eaton	3,286	458	Ogemaw	443	46
Emmet	149	41	Ontonagon	115	21
Genesee	9,593	1,371	Osceola	375	85
Gladwin	41	24	Oscoda	182	19
Gogebic	327	74	Otsego	93	33
Grand Traverse	1,092	138	Ottawa	3,060	341
Gratiot	237	50	Out of State	0	9
Hillsdale	1,133	226	Presque Isle	120	30
Houghton	247	45	Roscommon	490	71
Huron	505	38	Saginaw	3,703	418
Ingham	2,337	451	Saint Clair	4,057	545
Ionia	238	56	Saint Joseph	688	135
Iosco	224	28	Sanilac	795	119
Iron	171	38	Schoolcraft	37	19
Isabella	438	68	Shiawassee	2,596	331
Jackson	4,057	564	Tuscola	3,472	540
Kalamazoo	3,289	434	Van Buren	1,732	303
Kalkaska	307	53	Washtenaw	12,264	1,124
Kent	8,143	830	Wayne	46,199	4,083
Keweenaw	150	26	Wexford	1,163	214
Total			Total	246,637	30,626

6. **Registry Identification Cards Revoked**

Registry Identification Cards Revoked	
Month	Revoked
February	0

7. **Nature of the Debilitating Medical Conditions of the Qualifying Patients.**

As of February 28, 2021	
Condition	Percent of Total
Agitation of Alzheimer's Disease	0.02
AIDS	0.01
Amyotrophic Lateral Sclerosis	0.03
Arthritis	19.45
Autism	0.31
Cachexia or Wasting Syndrome	0.28
Cancer	3.60
Cerebral Palsy	0.14
Chronic Pain	62.08
Colitis	0.35
Crohn's Disease	0.60
Glaucoma	1.11
Hepatitis C	0.51
HIV Positive	0.33
Inflammatory Bowel Disease	0.99
Muscle Spasms	8.66
Nail Patella	0.00
Obsessive Compulsive Disorder	1.65
Parkinson's Disease	0.14
Post-Traumatic Stress Disorder	6.70
Rheumatoid Arthritis	1.27
Seizures	1.58
Severe and Chronic Pain	43.37
Severe Nausea	6.48
Spinal Cord Injury	0.50
Tourette's Syndrome	0.17
Ulcerative Colitis	0.43

8. Number of Physicians Providing Written Certifications for Qualifying Patients

Physicians Providing Written Certifications	
As of February 1, 2021	
Month	Physicians
February	369

9. Applications not Processed within Established Time Requirements

Applications not Timely Processed	
February 1 - February 28	
Initial	Renewal
0.07%	0.06%

10. Revenue and Expenses

Revenue Collected	
February 1 - February 28	
Amount	
February	\$365,552.73

Expenses	
February 1 - February 28	
Amount	
State Employee Wages	\$230,156.74
State Employee Benefits	\$105,168.90
Materials and Equipment	\$9,290.23
Other Contracts	\$5,296.01
All Other Costs	\$92,715.17
February Total	\$442,627.05



Monthly Report

January 1, 2021 – January 31, 2021



Governor
Gretchen Whitmer



Executive Director
Andrew Brisbo



Director
Orlene Hawks

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Medical Marijuana Facility Licensing

1. Product Sales

Sales by Product Type			
January 1 - January 31			
Product Type	Pounds Sold	Fluid Ounces Sold	Total Sales
Flower	4,510.56		\$18,189,817.16
Shake/Trim	490.26		\$1,173,795.30
Concentrate	284.3		\$3,963,622.84
Vape Cartridge	925.32		\$12,277,598.62
Kief	4		\$32,819.63
Infused-Edible	34,713.59		\$4,871,642.63
Infused Non-Edible Solid	695.09		\$248,719.93
Infused Liquid		8,436.60	\$293,818.94
Infused Non-Edible Liquid		881	\$18,668.86
January Total	41,623.12	9,317.60	\$41,070,503.91

Additional Sales Information	
January 1 - January 31	
Category	Amount
Sales To Date (Jan. 31)	\$812,149,650.00
Sales Deliveries	\$1,576,826.50
Average Retail Flower Price (oz.)	\$252.04

2. Plants

Plants	
Active Plants	
As of January 31, 2021	
Plant State	Number
Immature	65,604
Vegetative	69,383
Flowering	92,424

Destroyed & Harvested Plants	
January 1 – January 31	
Plant State	Number
Immature - Destroyed	23,814
Vegetative - Destroyed	10,247
Flowering - Destroyed	1,667
Plants Harvested	30,310

3. Packages and Inventory

Packages	
As of January 31, 2021	
Package State	Number
Active	299,271
On Hold	1,352
In Transit	4,172
January 1 – January 31	
Package State	Number
Finished	30,129

Inventory	
As of January 31, 2021	
Category	Amount (lbs.)
Flower at Growers (Test Passed)	13,158
Flower at Provisioning Centers	27,714
Flower at Processors	16,338
Fresh Frozen Flower at Processors	8,569
Concentrates at Processors	13,201
Infused Solids at Processors	170,532
Infused Liquids at Processors (Fl. Oz.)	551,053

4. Transfers

Products Shipped		
January 1 - January 31		
License Type	Pounds Shipped	Fluid Ounces Shipped
Grower Class A	1,094.94	0
Grower Class B	275.64	0
Grower Class C	34,902.95	223.17
Processor	1,094.17	173.47
Provisioning Center	53,156.94	10,530.55
Safety Compliance Facility	0.72	0
Secure Transporter	70,793.46	5,862.80

Transfers	
January 1 – January 31	
Transfer Type	Number
Completed	5,992
Voided	93

5. Initial Applications

Initial Applications			
January 1 - January 31			
License Type	Received	Approved	Denied
Prequalification	55	63	1
Grower Class A	2	5	0
Grower Class B	1	0	0
Grower Class C	5	13	0
Processor	4	4	0
Provisioning Center	11	12	0
Safety Compliance Facility	0	1	0
Secure Transporter	0	1	0
Total	78	99	1

6. Renewal Applications

Renewal Applications			
January 1 - January 31			
License Type	Received	Approved	Denied
Grower Class A	2	5	0
Grower Class B	0	0	0
Grower Class C	7	14	0
Processor	3	3	0
Provisioning Center	22	15	0
Safety Compliance Facility	0	1	0
Secure Transporter	3	0	0
Total	37	38	0

7. Application Processing Time

Application Processing Time (Calendar Days)		
January 1 - January 31		
License Type	Initial Applications	Renewal Applications
Prequalification	76.2	--
Grower Class A	85.8	60.2
Grower Class B	--	--
Grower Class C	80.3	83.5
Processor	99.3	68.7
Provisioning Center	74.9	52.7
Safety Compliance Facility	100	--
Secure Transporter	235	31
January Step 2 Average	86.22	--
January Total Average	79.77	65.7

8. Actions Taken by the MRA

Disciplinary Actions Taken by the MRA			
January 1 - January 31			
License Type	Warning	Formal Complaint	Final Order
Grower Class A	0	0	0
Grower Class B	0	0	0
Grower Class C	0	0	0
Processor	0	0	0
Provisioning Center	2	1	0
Safety Compliance Facility	0	0	0
Secure Transporter	0	0	0

9. Complaints and Investigations

Complaints and Investigations	
January 1 - January 31	
Enforcement & Legal Data	Amount
Number of Complaints Received*	170
Number of Investigations Opened*	145
Number of Investigations Closed*	165
Average Time to Complete an Investigation* (Calendar Days)	89
Number of Enforcement Actions Taken*	16
* Includes both MMFL and AU data	

10. Number of Administrative Hearing Adjudications

Number of administrative hearing adjudications pertaining to each regulated activity.

Provided are all final orders for denials.

Approximate Amounts: 1

Number of administrative hearings pertaining to each regulated activity.

Provided are all the hearings that have been involved with the MRA, e.g., denials, lawsuits, etc.

Approximate Amounts:

Denials: 3

Litigation: 0

Circuit Court Appeals: 0

11. Revenue and Expenses

Application Fees	
January 1 - January 31	
Amount	
January	\$306,000

Regulatory Assessment Fees								
January 1 - January 31								
	Grower Class A	Grower Class B	Grower Class C	Processor	Provisioning Center	Safety Compliance Facility	Secure Transporter	Total
January	\$35,000	\$0	\$216,963	\$75,888	\$195,545	\$0	\$13,125	\$536,521

Renewal								
January 1 - January 31								
	Grower Class A	Grower Class B	Grower Class C	Processor	Provisioning Center	Safety Compliance Facility	Secure Transporter	Total
January	\$14,000	\$0	\$126,000	\$42,000	\$218,500	\$0	\$35,000	\$435,500

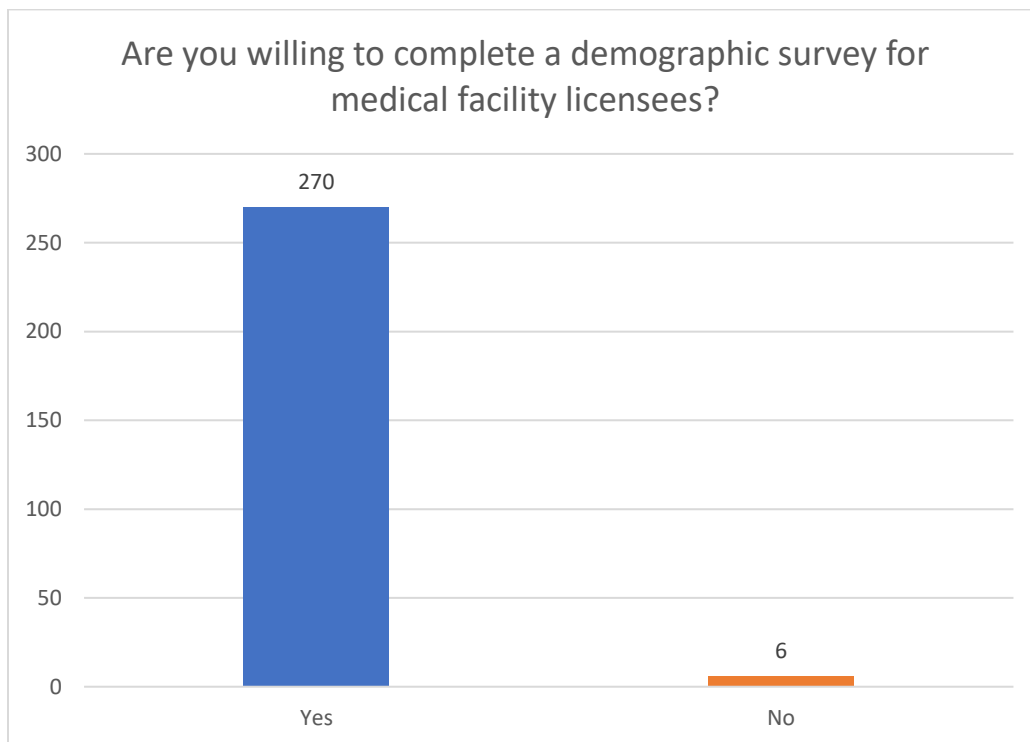
Total Licensing Revenue Collected	
January 1 - January 31	
Amount	
January	\$1,278,021

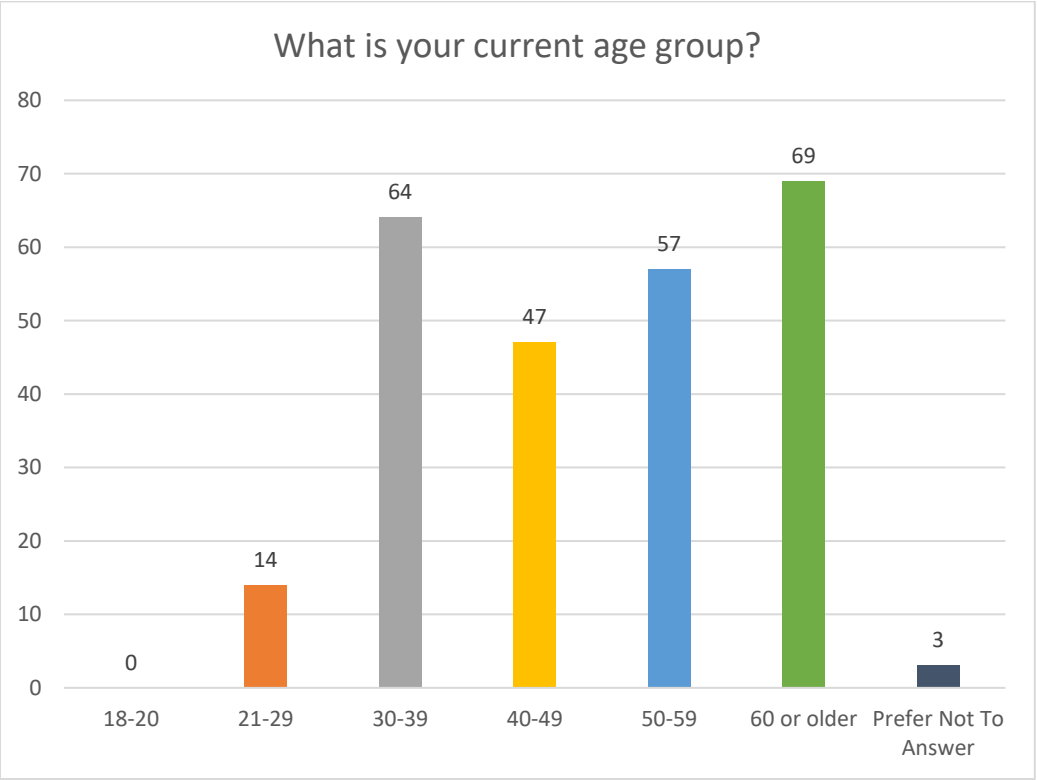
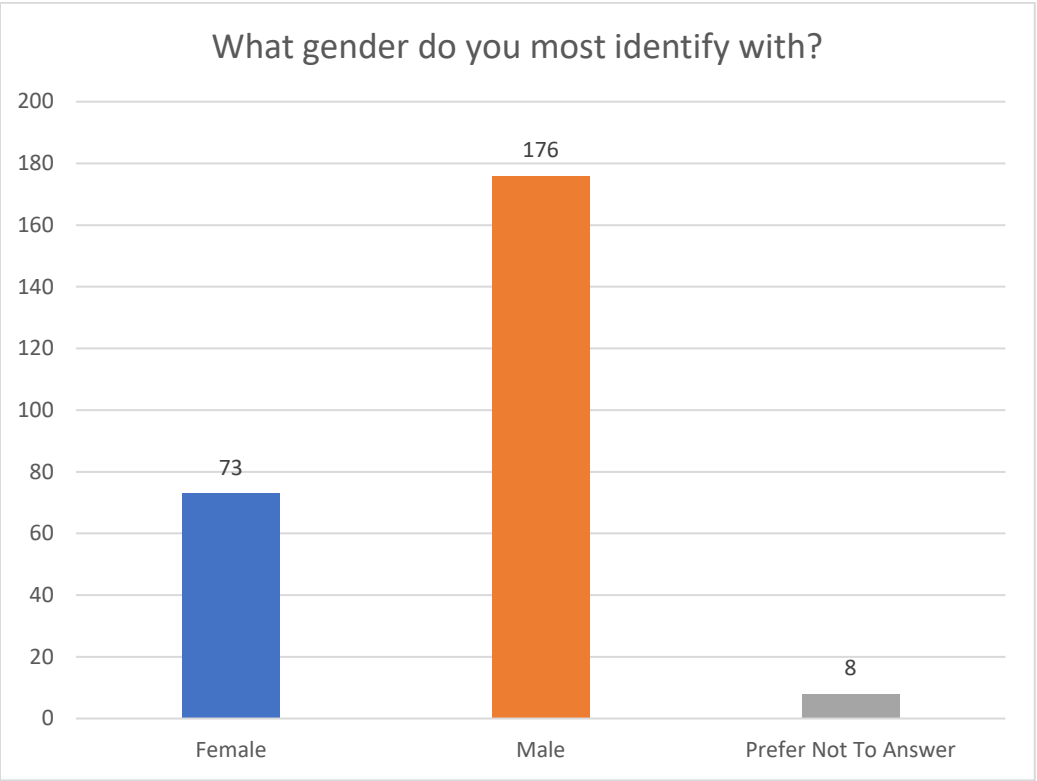
Expenses	
January 1 - January 31	
Amount	
State Employee Wages	\$363,012.84
State Employee Benefits	\$234,426.09
Materials and Equipment	\$2,813.75
All Other Costs	\$227,548.88
January Total	\$827,801.56

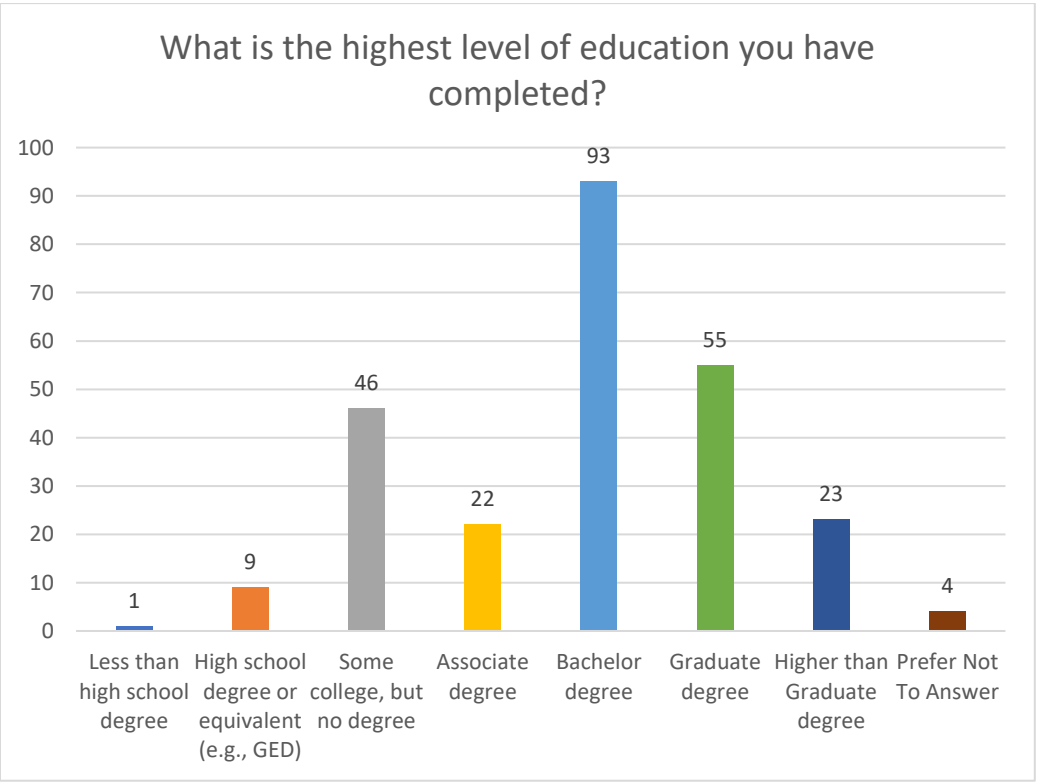
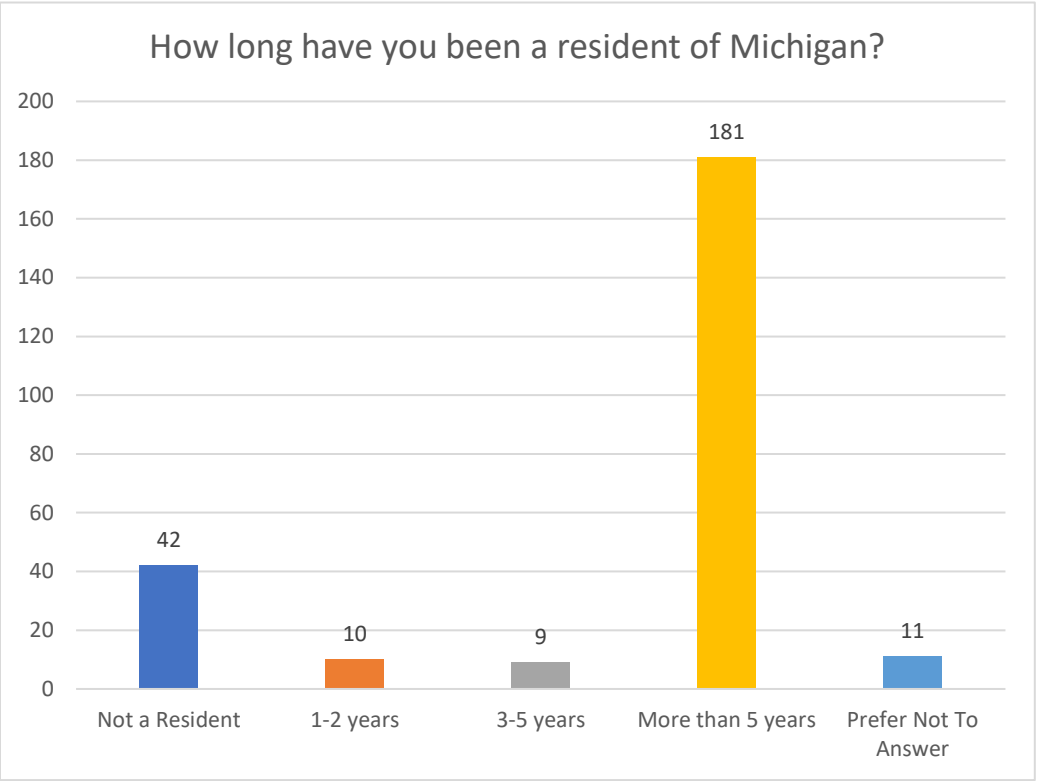
12. Municipalities Opted In to the MMFLA

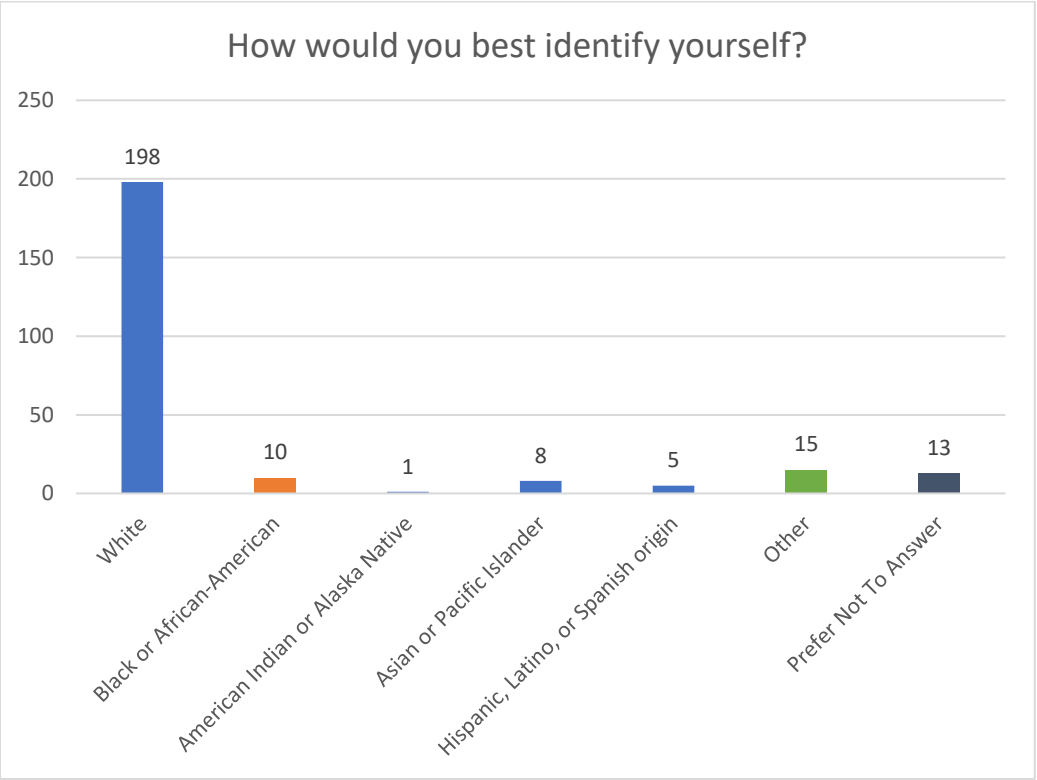
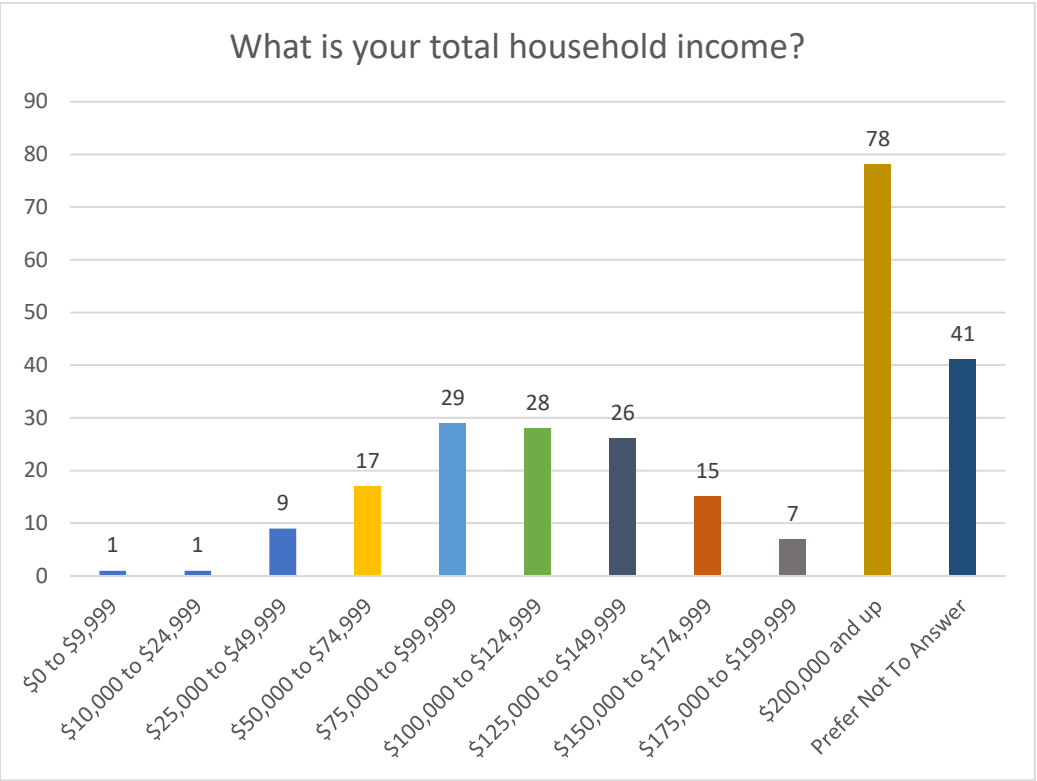
Municipalities
As of January 31, 2021
Opted In
154

13. Demographic Information









Adult-Use Establishment Licensing

1. Product Sales

Sales by Product Type			
January 1 - January 31			
Product Type	Pounds Sold	Fluid Ounces Sold	Total Sales
Flower	6,696.27		\$34,678,753.18
Shake/Trim	872.1		\$2,891,977.84
Concentrate	221.58		\$4,904,515.90
Vape Cartridge	445.84		\$12,375,260.82
Kief	12.04		\$127,500.62
Infused-Edible	52,843.88		\$11,741,000.56
Infused Non-Edible Solid	237.62		\$218,528.31
Infused Liquid		12,127.37	\$420,414.94
Infused Non-Edible Liquid		1664.54	\$48,656.71
January Total	61,329.33	13,791.91	\$67,406,608.88

Additional Sales Information	
January 1 - January 31	
Category	Amount
Sales To Date (Jan. 31)	\$583,913,948.00
Sales Deliveries	\$2,165,064.18
Average Retail Flower Price (oz.)	\$323.68

2. Plants

Plants	
Active Plants	
As of January 31, 2021	
Plant State	Number
Immature	66,764
Vegetative	80,152
Flowering	114,670

Destroyed & Harvested Plants	
January 1 - January 31	
Plant State	Number
Immature - Destroyed	21,273
Vegetative - Destroyed	8,085
Flowering - Destroyed	1,031
Plants Harvested	48,662

3. Packages and Inventory

Packages	
As of January 31, 2021	
Package State	Number
Active	226,043
On Hold	46
In Transit	5,341
January 1 - January 31	
Package State	Number
Finished	38,959

Inventory	
As of January 31, 2021	
Category	Amount (lbs.)
Flower at Growers (Test Passed)	17,334
Flower at Retailers	14,659
Flower at Processors	13,879
Fresh Frozen Flower at Processors	7,537
Concentrates at Processors	5,633
Infused Solids at Processors	143,750
Infused Liquids at Processors (Fl. Oz.)	70,661

4. Transfers

Shipped Products		
January 1 - January 31		
License Type	Shipped Pounds	Fluid Ounces Shipped
Class B Marijuana Grower	534.49	0
Class C Marijuana Grower	29,231.47	1,115.85
Excess Grower	2,649.11	0
Processor	56,700.46	13,439.22
Retailer	4,453.11	683.68
Safety Compliance Facility	0.05	0
Secure Transporter	80,008.47	13,725.75

Transfers	
January 1 - January 31	
Transfer Type	Number
Completed	6,107
Voided	71

5. Initial Applications

	Initial Applications		
	January 1 - January 31		
	Applications Received	Licenses Issued	Licenses Denied
Prequalification	78	40	0
Class A Marijuana Grower	2	0	0
Class B Marijuana Grower	1	2	0
Class C Marijuana Grower	8	11	0
Designated Consumption Establishment	0	0	0
Marijuana Event Organizer	1	1	0
Excess Grower	3	2	0
Microbusiness	0	0	0
Processor	4	5	0
Retailer	15	8	0
Safety Compliance Facility	0	1	0
Secure Transporter	1	0	0
Temporary Marijuana Event	0	0	0
Social Equity Class A Marijuana Grower	0	0	0
Social Equity Class B Marijuana Grower	1	2	0
Social Equity Class C Marijuana Grower	0	1	0
Social Equity Designated Consumption Establishment	0	0	0
Social Equity Marijuana Event Organizer	0	0	0
Social Equity Excess Grower	0	0	0
Social Equity Microbusiness	0	0	0
Social Equity Processor	0	1	0
Social Equity Retailer	1	2	0
Social Equity Safety Compliance Facility	0	0	0
Social Equity Secure Transporter	0	0	0
Social Equity Marijuana Temporary Event	0	0	0
January Total	115	76	0

6. Renewal Applications

	Renewal Applications		
	January 1 - January 31		
	Applications Received	Licenses Issued	Licenses Denied
Class A Marijuana Grower	0	0	0
Class B Marijuana Grower	2	2	0
Class C Marijuana Grower	9	13	0
Designated Consumption Establishment	0	0	0
Marijuana Event Organizer	0	0	0
Excess Grower	0	0	0
Microbusiness	0	0	0
Processor	2	5	0
Retailer	26	14	0
Safety Compliance Facility	0	0	0
Secure Transporter	3	2	0
Temporary Marijuana Event	0	0	0
January Total	42	36	0

7. Application Processing Time

Application Processing Days (Calendar Days)		
January 1 - January 31		
License Type	Initial Applications	Renewal Applications
Prequalification	45.45	--
Class A Marijuana Grower	--	--
Class B Marijuana Grower	26	15
Class C Marijuana Grower	45.64	18.82
Designated Consumption Establishment	--	--
Marijuana Event Organizer	6	--
Excess Grower	26	--
Microbusiness	--	--
Processor	34.8	19
Retailer	29.63	15.13
Safety Compliance Facility	17	--
Secure Transporter	--	6
Temporary Marijuana Event	--	--
Social Equity Class A Marijuana Grower	--	--
Social Equity Class B Marijuana Grower	35.5	--
Social Equity Class C Marijuana Grower	35	--
Social Equity Designated Consumption Establishment	--	--
Social Equity Marijuana Event Organizer	--	--
Social Equity Excess Grower	--	--
Social Equity Microbusiness	--	--
Social Equity Processor	51	--
Social Equity Retailer	31	--
Social Equity Safety Compliance Facility	--	--
Social Equity Secure Transporter	--	--
Social Equity Temporary Marijuana Event	--	--
January Step 2 Average	34.97	--
January Total Average	40.55	16.28

8. Actions Taken by the MRA

Disciplinary Actions Taken by the MRA			
January 1 - January 31			
License Type	Warning	Formal Complaint	Final Order
Class A Marijuana Grower	0	0	0
Class B Marijuana Grower	0	0	0
Class C Marijuana Grower	0	0	0
Designated Consumption Establishment	0	0	0
Marijuana Event Organizer	0	0	0
Excess Grower	0	0	0
Microbusiness	0	0	0
Processor	0	0	0
Retailer	1	0	0
Safety Compliance Facility	0	0	0
Secure Transporter	0	0	0
Temporary Marijuana Event	0	0	0

9. Applications not Processed within Established Time Requirements

Applications Not Timely Processed	
January 1 - January 31	
Initial	Renewal
0%	0%

10. Complaints and Investigations

Complaints and Investigations	
January 1 - January 31	
Enforcement & Legal Data	Amount
Number of Complaints Received*	170
Number of Investigations Opened*	145
Number of Investigations Closed*	165
Average Time to Complete an Investigation* (Calendar Days)	89
Number of Enforcement Actions Taken*	16
* Includes both MMFL and AU data	

11. Number of Administrative Hearing Adjudications

Number of administrative hearing adjudications pertaining to each regulated activity.

Provided are all final orders for denials.

Approximate Amounts: 1

Number of administrative hearings pertaining to each regulated activity.

"Regulated activity" means the particular activities, entities, facilities, and industries regulated by the agencies. Provided are all the hearings that have been involved with the MRA, e.g., denials, lawsuits, etc.

Approximate Amounts:

Denials: 3

Litigation: 0

Circuit Court Appeals: 0

12. Revenue and Expenses

Application Fees			
January 1 - January 31			
	Prequalification	Social Equity Prequalification	Total
January	\$318,000	\$94,200	\$400,200

Regulatory Assessment Fees								
January 1 - January 31								
	Class A Marijuana Grower	Class B Marijuana Grower	Class C Marijuana Grower	Designated Consumption Establishment	Marijuana Event Organizer	Excess Grower	Microbusiness	Processor
January	\$0	\$24,000	\$457,028	\$0	\$1,000	\$94,246	\$0	\$234,850
	Retailer	Safety Compliance Facility	Secure Transporter	Temporary Marijuana Event	Social Equity Class A Marijuana Grower	Social Equity Class B Marijuana Grower	Social Equity Class C Marijuana Grower	Social Equity Designated Consumption Establishment
January	\$267,124	\$25,000	\$0	\$0	\$0	\$6,000	\$0	\$0
	Social Equity Marijuana Event Organizer	Social Equity Excess Grower	Social Equity Microbusiness	Social Equity Processor	Social Equity Retailer	Social Equity Safety Compliance Facility	Social Equity Secure Transporter	Social Equity Temporary Marijuana Event
January	\$0	\$0	\$0	\$0	\$40,942	\$0	\$0	\$0
Total Regulatory Assessment Fees								
January	\$1,150,190							

Renewal Fees								
January 1 - January 31								
	Class A Marijuana Grower	Class B Marijuana Grower	Class C Marijuana Grower	Designated Consumption Establishment	Marijuana Event Organizer	Excess Grower	Microbusiness	Processor
January	\$0	\$18,000	\$400,000	\$0	\$0	\$0	\$0	\$90,000
	Retailer	Safety Compliance Facility	Secure Transporter	Temporary Marijuana Event	Social Equity Class A Marijuana Grower	Social Equity Class B Marijuana Grower	Social Equity Class C Marijuana Grower	Social Equity Designated Consumption Establishment
January	\$600,000	\$0	\$70,000	\$0	\$0	\$0	\$0	\$0
	Social Equity Marijuana Event Organizer	Social Equity Excess Grower	Social Equity Microbusiness	Social Equity Processor	Social Equity Retailer	Social Equity Safety Compliance Facility	Social Equity Secure Transporter	Social Equity Temporary Marijuana Event
January	\$0	\$0	\$0	\$0	\$50,000	\$0	\$0	\$0
Total Renewal Fees								
January	\$1,228,000							

Total Licensing Revenue Collected	
January 1 - January 31	
Amount	
January	\$2,790,390

Expenses	
January 1 - January 31	
Amount	
State Employee Wages	\$213,481.44
State Employee Benefits	\$156,696.55
Materials and Equipment	\$627.26
All Other Costs	\$135,254.23
January Total	\$506,059.48

13. Social Equity Applications

Social Equity Applications			
January 1 - January 31			
	Received	Eligible	Ineligible
January	271	218	4

14. Social Equity Education & Outreach

Outreach Sessions	
January 1 - January 31	
Sessions Held	
January	1

15. Social Equity Application Assistance Provided

Application Assistance Provided	
January 1 - January 31	
Number of Times	
January	38

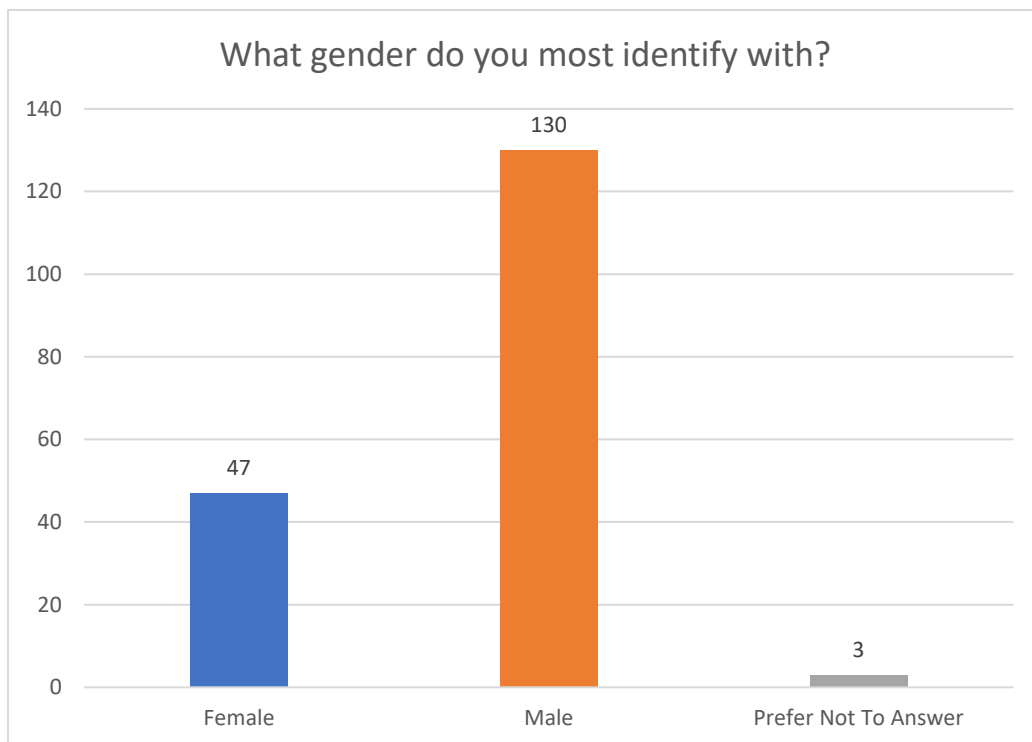
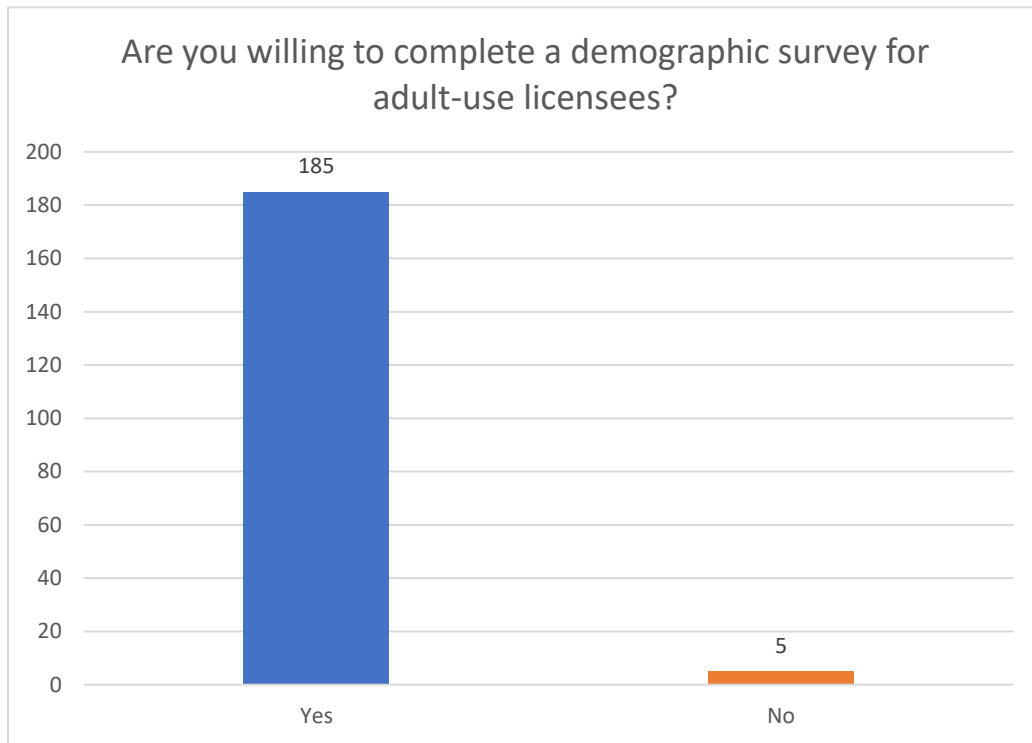
16. MTIS Criminal Enforcement Data

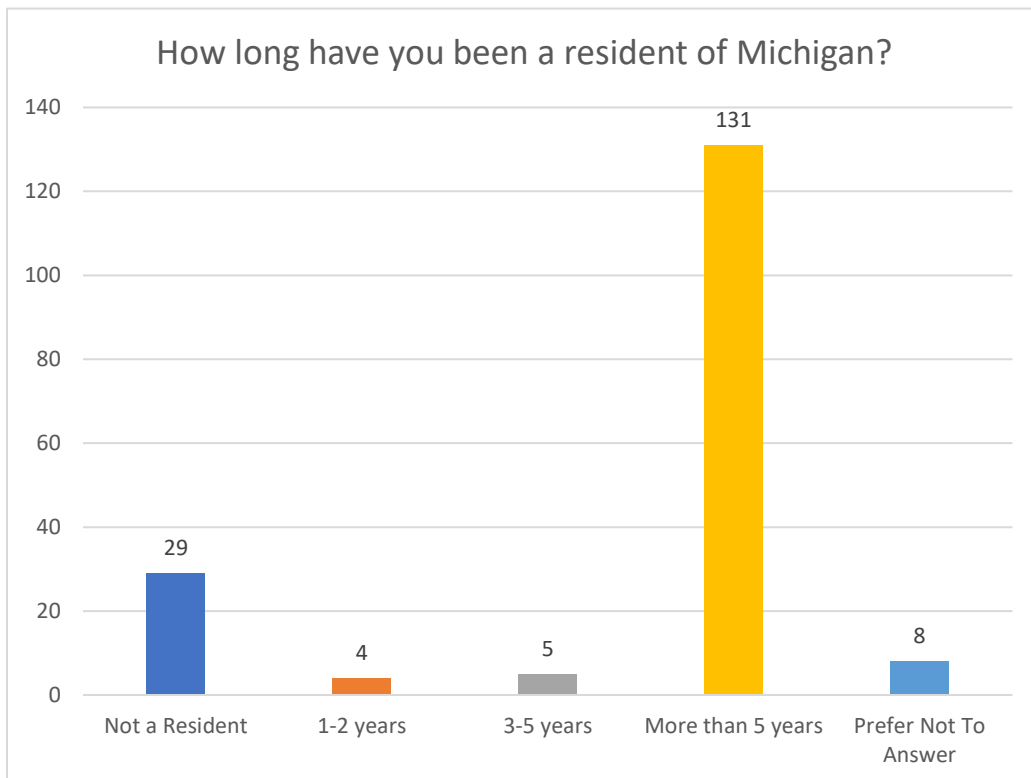
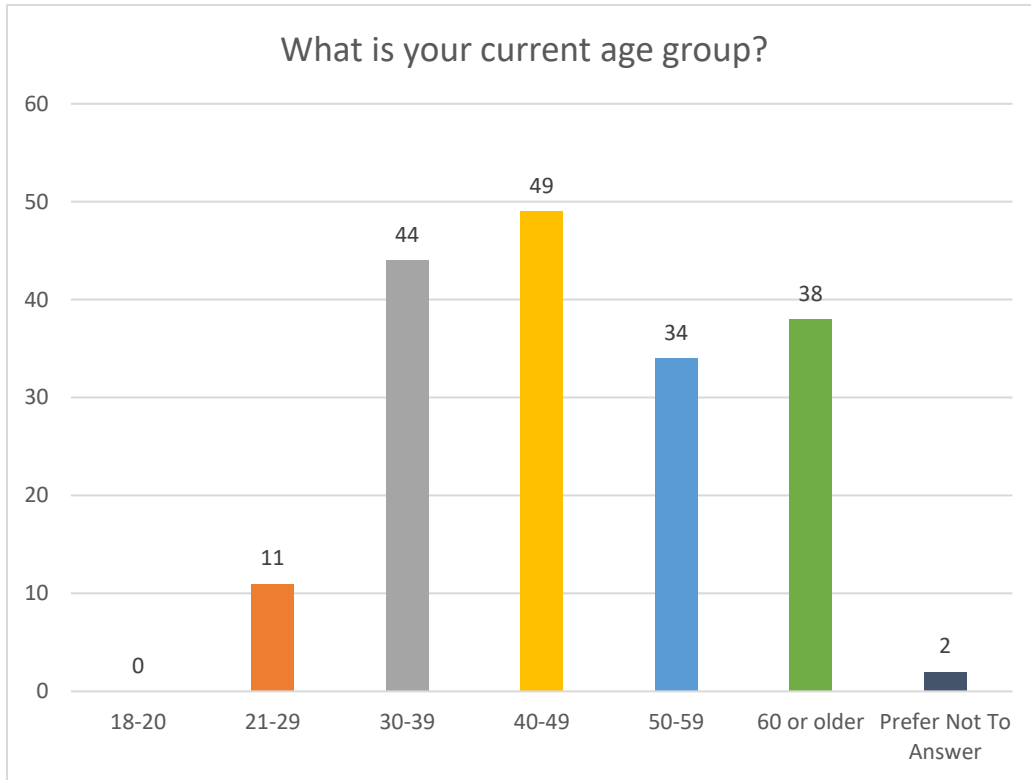
For the last quarter of 2020 (October 1 - December 31, 2020) MTIS seized 1,433 plants, 447 pounds of flower, and 3,168 units of other cannabis products from the illicit market.

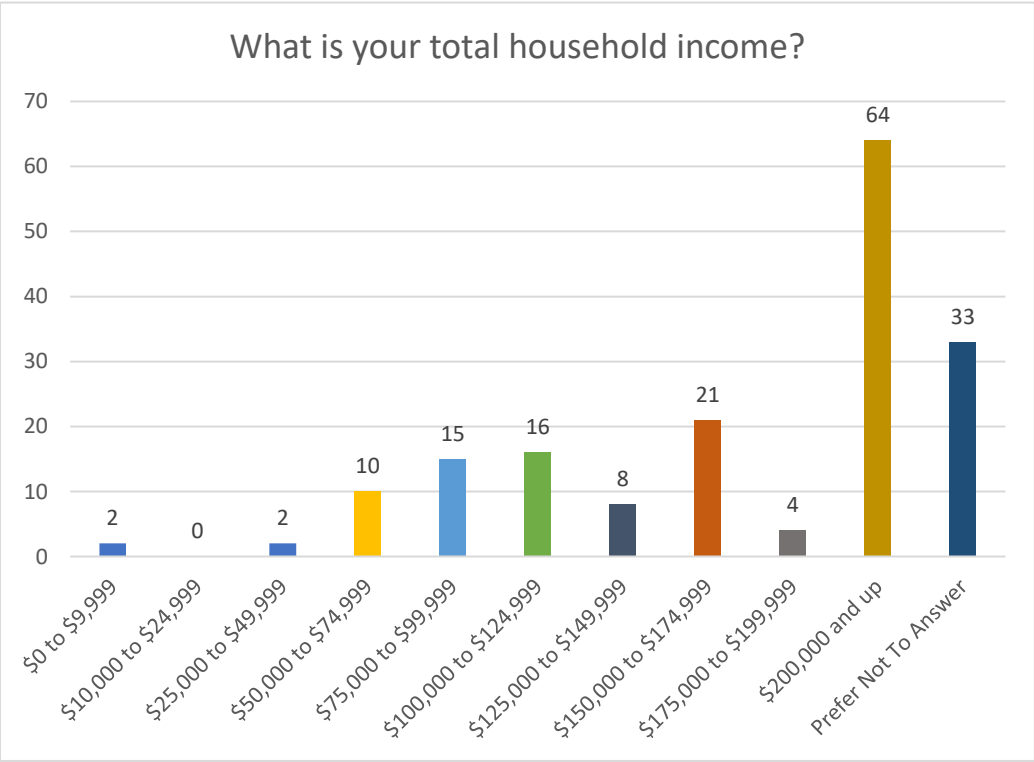
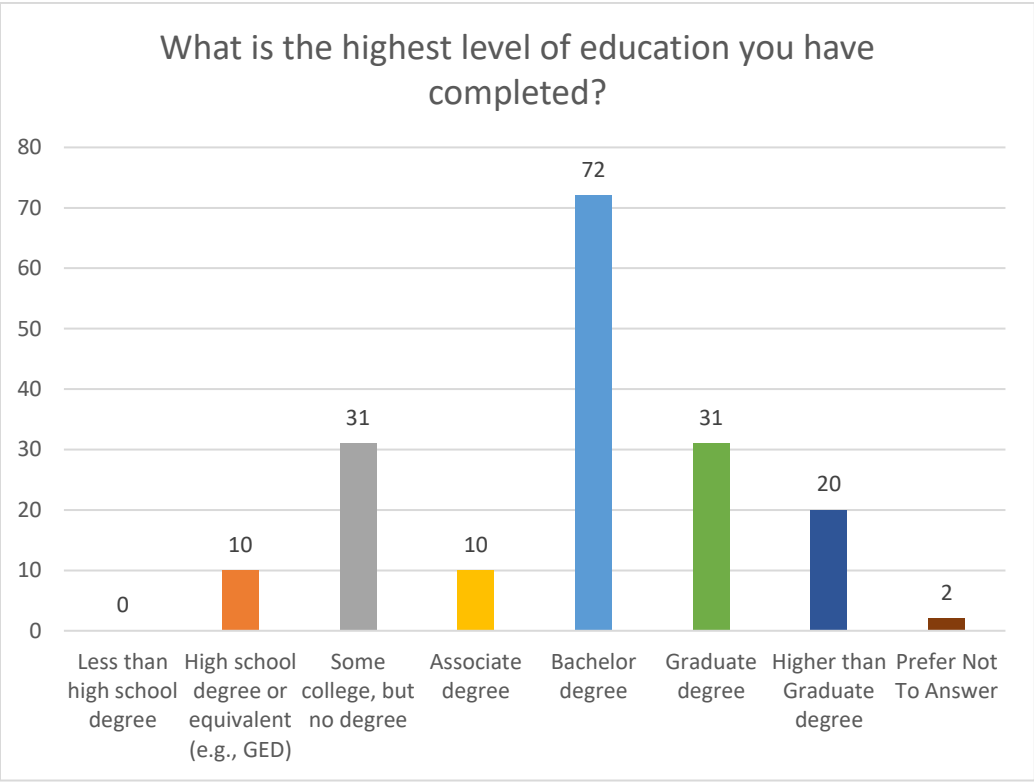
17. Municipalities Opted In or Out of MRTMA

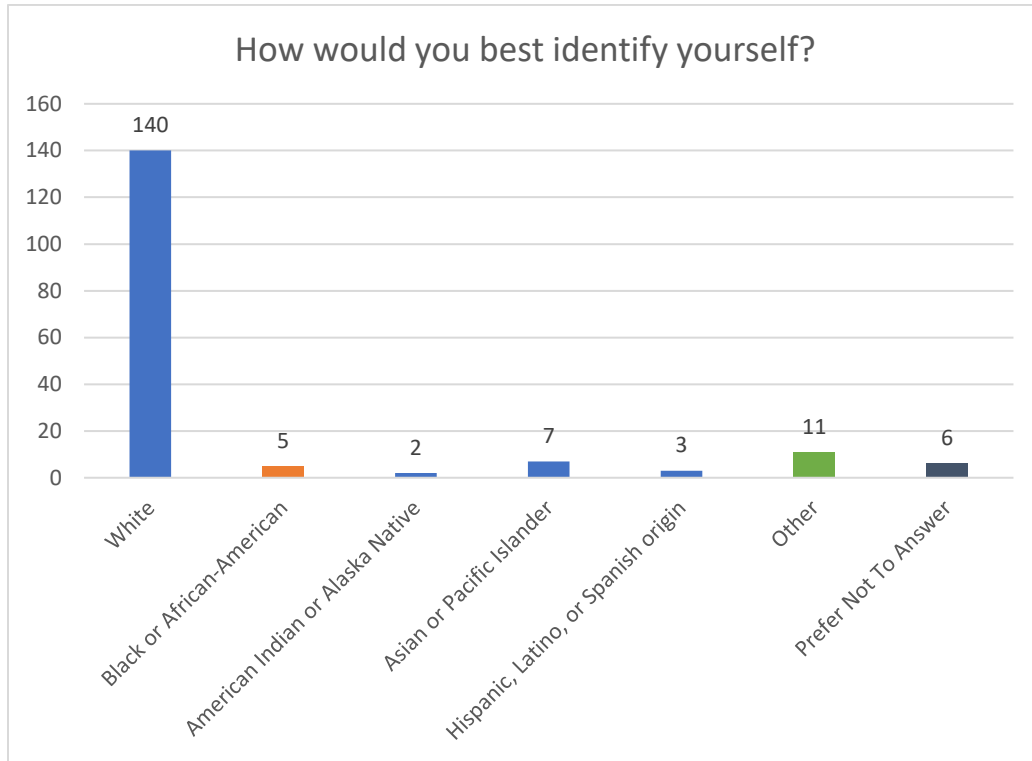
Municipalities	
As of January 31, 2021	
Opted In	Opted Out
91	1,404

18. Demographic Information









Medical Marijuana Registry Program

1. Initial Applications

Initial Applications		
January 1 - January 31		
Received	Issued	Denied
8,508	10,466	1,218

2. Renewal Applications

Renewal Applications		
January 1 - January 31		
Received	Issued	Denied
1,534	1,049	84

3. Application Processing Time

Initial Applications (Calendar Days)					
January 1 - January 31					
Approvals			Denials		
Paper	Online	Combined	Paper	Online	Combined
5.18	0.02	2.38	6.11	0.33	5.48

Renewal Applications (Calendar Days)					
January 1 - January 31					
Approvals			Denials		
Paper	Online	Combined	Paper	Online	Combined
4.29	0.02	1.81	6	0.14	4.54

4. Number of Applications Filed for Registry Identification Cards

	Applications Filed for Registry Identification Cards						
	January 1 - January 31						
	Original Applications			Renewals			Grand Total
	Paper	Online	Total	Paper	Online	Total	
January	6,717	5,106	11,823	929	910	1,839	13,662

5. Number of Qualifying Patients and Primary Caregivers Approved in Each County

As of January 31, 2021					
County	Patients	Caregivers	County	Patients	Caregivers
Alcona	616	76	Lake	253	52
Alger	599	107	Lapeer	3,498	485
Allegan	5,061	714	Leelanau	661	67
Alpena	682	81	Lenawee	3,192	464
Antrim	1,196	189	Livingston	3,775	439
Arenac	1,120	136	Luce	74	17
Baraga	124	16	Mackinac	185	31
Barry	2,143	288	Macomb	28,864	4,258
Bay	5,191	375	Manistee	395	65
Benzie	1,017	134	Marquette	262	99
Berrien	3,833	637	Mason	427	60
Branch	1,757	301	Mecosta	207	44
Calhoun	2,583	403	Menominee	373	94
Cass	1,573	297	Midland	2,090	227
Charlevoix	331	47	Missaukee	181	33
Cheboygan	651	83	Monroe	4,288	503
Chippewa	469	82	Montcalm	1,675	309
Clare	1,476	250	Montmorency	105	39
Clinton	3,184	375	Muskegon	2,781	366
Crawford	989	123	Newaygo	1,588	242
Delta	673	129	Oakland	36,461	3,985
Dickinson	541	117	Oceana	1,247	206
Eaton	3,265	453	Ogemaw	440	48
Emmet	157	42	Ontonagon	115	21
Genesee	9,594	1,383	Osceola	371	84
Gladwin	47	25	Oscoda	175	19
Gogebic	328	76	Otsego	99	33
Grand Traverse	1,071	142	Ottawa	3,018	343
Gratiot	231	52	Out of State	0	9
Hillsdale	1,118	226	Presque Isle	120	28
Houghton	247	44	Roscommon	474	72
Huron	493	39	Saginaw	3,673	420
Ingham	2,403	462	Saint Clair	5,039	547
Ionia	246	57	Saint Joseph	689	136
Iosco	230	31	Sanilac	788	119
Iron	172	38	Schoolcraft	34	19
Isabella	428	69	Shiawassee	2,593	334
Jackson	3,989	559	Tuscola	3,432	534
Kalamazoo	3,302	443	Van Buren	1,732	303
Kalkaska	304	52	Washtenaw	12,259	1,124
Kent	8,024	828	Wayne	45,883	4,054
Keweenaw	148	26	Wexford	1,146	214
			Total	245,268	30,553

6. **Registry Identification Cards Revoked**

Registry Identification Cards Revoked	
Month	Revoked
January	0

7. **Nature of the Debilitating Medical Conditions of the Qualifying Patients.**

As of January 31, 2021	
Condition	Percent of Total
Agitation of Alzheimer's Disease	0.03
AIDS	0.01
Amyotrophic Lateral Sclerosis	0.04
Arthritis	19.86
Autism	0.21
Cachexia or Wasting Syndrome	0.37
Cancer	3.69
Cerebral Palsy	0.09
Chronic Pain	59.93
Colitis	0.34
Crohn's Disease	0.77
Glaucoma	1.01
Hepatitis C	0.40
HIV Positive	0.23
Inflammatory Bowel Disease	1.17
Muscle Spasms	8.39
Nail Patella	0.01
Obsessive Compulsive Disorder	1.38
Parkinson's Disease	0.16
Post-Traumatic Stress Disorder	6.18
Rheumatoid Arthritis	1.50
Seizures	1.57
Severe and Chronic Pain	44.81
Severe Nausea	6.79
Spinal Cord Injury	0.45
Tourette's Syndrome	0.08
Ulcerative Colitis	0.40

8. Number of Physicians Providing Written Certifications for Qualifying Patients

Physicians Providing Written Certifications	
As of January 1, 2021	
Month	Physicians
January	385

9. Applications not Processed within Established Time Requirements

Applications not Timely Processed	
January 1 - January 31	
Initial	Renewal
0.07%	0%

10. Revenue and Expenses

Revenue Collected	
January 1 - January 31	
	Amount
January	\$387,899.04

Expenses	
January 1 - January 31	
	Amount
State Employee Wages	\$152,797.86
State Employee Benefits	\$101,770.03
Materials and Equipment	\$7,816.81
Educational Expenses on Behalf of Clients or Students	\$350.96
Other Contracts	\$6,665.47
All Other Costs	\$198,063.15
January Total	\$467,464.28

MEDICAL MARIHUANA FACILITIES LICENSING ACT

Act 281 of 2016

AN ACT to license and regulate medical marihuana growers, processors, provisioning centers, secure transporters, and safety compliance facilities; to allow certain licensees to process, test, or sell industrial hemp; to provide for the powers and duties of certain state and local governmental officers and entities; to create a medical marihuana licensing board; to provide for interaction with the statewide monitoring system for commercial marihuana transactions; to create an advisory panel; to provide immunity from prosecution for marihuana-related offenses for persons engaging in certain activities in compliance with this act; to prescribe civil fines and sanctions and provide remedies; to provide for forfeiture of contraband; to provide for taxes, fees, and assessments; and to require the promulgation of rules.

History: 2016, Act 281, Eff. Dec. 20, 2016;—Am. 2018, Act 10, Imd. Eff. Jan. 26, 2018;—Am. 2018, Act 648, Eff. Mar. 28, 2019.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

The People of the State of Michigan enact:

PART 1. GENERAL PROVISIONS

333.27101 Short title.

Sec. 101. This act shall be known and may be cited as the "medical marihuana facilities licensing act".

History: 2016, Act 281, Eff. Dec. 20, 2016.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

For transfer of powers and duties of the medical marihuana licensing board, marihuana advisory panel, and department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the medical marihuana licensing board, marihuana advisory panel, and bureau of marijuana regulation, see ERO No. 2019-2, compiled at MCL 333.27001.

333.27102 Definitions.

Sec. 102. As used in this act:

(a) "Advisory panel" or "panel" means the marijuana regulatory agency.

(b) "Affiliate" means any person that controls, is controlled by, or is under common control with; is in a partnership or joint venture relationship with; or is a co-shareholder of a corporation, a co-member of a limited liability company, or a co-partner in a limited liability partnership with a licensee or applicant.

(c) "Applicant" means a person who applies for a state operating license. Applicant includes, with respect to disclosures in an application, for purposes of ineligibility for a license under section 402, or for purposes of prior marijuana regulatory agency approval of a transfer of interest under section 406, and only for applications submitted on or after January 1, 2019, a managerial employee of the applicant, a person holding a direct or indirect ownership interest of more than 10% in the applicant, and the following for each type of applicant:

(i) For an individual or sole proprietorship: the proprietor and the proprietor's spouse.

(ii) For a partnership and limited liability partnership: all partners and their spouses. For a limited partnership and limited liability limited partnership: all general and limited partners, not including a limited partner holding a direct or indirect ownership interest of 10% or less and who does not exercise control over or participate in the management of the partnership, and their spouses. For a limited liability company: all members and managers, not including a member holding a direct or indirect ownership interest of 10% or less and who does not exercise control over or participate in the management of the company, and their spouses.

(iii) For a privately held corporation: all corporate officers or persons with equivalent titles and their spouses, all directors and their spouses, and all stockholders, not including those holding a direct or indirect ownership interest of 10% or less, and their spouses.

(iv) For a publicly held corporation: all corporate officers or persons with equivalent titles and their spouses, all directors and their spouses, and all stockholders, not including those holding a direct or indirect ownership interest of 10% or less, and their spouses.

(v) For a multilevel ownership enterprise: any entity or person that receives or has the right to receive more than 10% of the gross or net profit from the enterprise during any full or partial calendar or fiscal year.

(vi) For a nonprofit corporation: all individuals and entities with membership or shareholder rights in accordance with the articles of incorporation or the bylaws and the spouses of the individuals.

(d) "Board" means the marijuana regulatory agency.

(e) "Cutting" means a section of a lead stem or root stock that is used for vegetative asexual propagation.

(f) "Department" means the department of licensing and regulatory affairs.

(g) "Grower" means a licensee that is a commercial entity located in this state that cultivates, dries, trims, or cures and packages marihuana for sale to a processor, provisioning center, or another grower.

(h) "Industrial hemp" means that term as defined in section 7106 of the public health code, 1978 PA 368, MCL 333.7106.

(i) "Industrial hemp research and development act" means the industrial hemp research and development act, 2014 PA 547, MCL 286.841 to 286.859.

(j) "Licensee" means a person holding a state operating license.

(k) "Marihuana" means that term as defined in section 7106 of the public health code, 1978 PA 368, MCL 333.7106.

(l) "Marihuana facility" means a location at which a licensee is licensed to operate under this act.

(m) "Marihuana plant" means any plant of the species *Cannabissativa* L. Marihuana plant does not include industrial hemp.

(n) "Marihuana-infused product" means a topical formulation, tincture, beverage, edible substance, or similar product containing any usable marihuana that is intended for human consumption in a manner other than smoke inhalation. Marihuana-infused product is not considered a food for purposes of the food law, 2000 PA 92, MCL 289.1101 to 289.8111.

(o) "Marihuana tracking act" means the marihuana tracking act, 2016 PA 282, MCL 333.27901 to 333.27904.

(p) "Marijuana regulatory agency" means the marijuana regulatory agency created under Executive Reorganization Order No. 2019-2, MCL 333.27001.

(q) "Michigan medical marihuana act" means the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430.

(r) "Municipality" means a city, township, or village.

(s) "Paraphernalia" means any equipment, product, or material of any kind that is designed for or used in growing, cultivating, producing, manufacturing, compounding, converting, storing, processing, preparing, transporting, injecting, smoking, ingesting, inhaling, or otherwise introducing into the human body, marihuana.

(t) "Person" means an individual, corporation, limited liability company, partnership, limited partnership, limited liability partnership, limited liability limited partnership, trust, or other legal entity.

(u) "Plant" means any living organism that produces its own food through photosynthesis and has observable root formation or is in growth material.

(v) "Processor" means a licensee that is a commercial entity located in this state that purchases marihuana from a grower and that extracts resin from the marihuana or creates a marihuana-infused product for sale and transfer in packaged form to a provisioning center or another processor.

(w) "Provisioning center" means a licensee that is a commercial entity located in this state that purchases marihuana from a grower or processor and sells, supplies, or provides marihuana to registered qualifying patients, directly or through the patients' registered primary caregivers. Provisioning center includes any commercial property where marihuana is sold at retail to registered qualifying patients or registered primary caregivers. A noncommercial location used by a registered primary caregiver to assist a qualifying patient connected to the caregiver through the department's marihuana registration process in accordance with the Michigan Medical Marihuana Act is not a provisioning center for purposes of this act.

(x) "Registered primary caregiver" means a primary caregiver who has been issued a current registry identification card under the Michigan Medical Marihuana Act.

(y) "Registered qualifying patient" means a qualifying patient who has been issued a current registry identification card under the Michigan Medical Marihuana Act or a visiting qualifying patient as that term is defined in section 3 of the Michigan Medical Marihuana Act, MCL 333.26423.

(z) "Registry identification card" means that term as defined in section 3 of the Michigan Medical Marihuana Act, MCL 333.26423.

(aa) "Rules" means rules promulgated under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, by the marijuana regulatory agency to implement this act.

(bb) "Safety compliance facility" means a licensee that is a commercial entity that takes marihuana from a marihuana facility or receives marihuana from a registered primary caregiver, tests the marihuana for contaminants and for tetrahydrocannabinol and other cannabinoids, returns the test results, and may return the

marihuana to the marihuana facility.

(cc) "Secure transporter" means a licensee that is a commercial entity located in this state that stores marihuana and transports marihuana between marihuana facilities for a fee.

(dd) "Seed" means the fertilized, ungerminated, matured ovule, containing an embryo or rudimentary plant, of a marihuana plant that is flowering.

(ee) "Seedling" means a marihuana plant that has germinated and has not flowered and is not harvestable.

(ff) "State operating license" or, unless the context requires a different meaning, "license" means a license that is issued under this act that allows the licensee to operate as 1 of the following, specified in the license:

(i) A grower.

(ii) A processor.

(iii) A secure transporter.

(iv) A provisioning center.

(v) A safety compliance facility.

(gg) "Statewide monitoring system" or, unless the context requires a different meaning, "system" means an internet-based, statewide database established, implemented, and maintained by the department under the marihuana tracking act, that is available to licensees, law enforcement agencies, and authorized state departments and agencies on a 24-hour basis for all of the following:

(i) Verifying registry identification cards.

(ii) Tracking marihuana transfer and transportation by licensees, including transferee, date, quantity, and price.

(iii) Verifying in commercially reasonable time that a transfer will not exceed the limit that the patient or caregiver is authorized to receive under section 4 of the Michigan Medical Marihuana Act, MCL 333.26424.

(hh) "Tissue culture" means a marihuana plant cell, cutting, tissue, or organ, that is kept under a sterile condition on a nutrient culture medium of known composition and that does not have visible root formation. A tissue culture is not a marihuana plant for purposes of a grower.

(ii) "Usable marihuana" means the dried leaves, flowers, plant resin, or extract of the marihuana plant, but does not include the seeds, stalks, and roots of the plant.

History: 2016, Act 281, Eff. Dec. 20, 2016;—Am. 2018, Act 10, Imd. Eff. Jan. 26, 2018;—Am. 2018, Act 582, Eff. Jan. 1, 2019;—Am. 2018, Act 648, Eff. Mar. 28, 2019;—Am. 2019, Act 3, Imd. Eff. Apr. 16, 2019;—Am. 2020, Act 207, Imd. Eff. Oct. 15, 2020.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

For transfer of powers and duties of the medical marihuana licensing board, marihuana advisory panel, and department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the medical marihuana licensing board, marihuana advisory panel, and bureau of marijuana regulation, see ERO No. 2019-2, compiled at MCL 333.27001.

PART 2. APPLICATION OF OTHER LAWS

333.27201 Protected activities; person owning or leasing property upon which marihuana facility located subject to penalties or sanctions prohibited; conditions; activities of certified public accountant or financial institution not subject to certain penalties or sanctions; other provisions of law inconsistent with act; definitions.

Sec. 201. (1) Except as otherwise provided in this act, if a person has been granted a state operating license and is operating within the scope of the license, the licensee and its agents are not subject to any of the following for engaging in activities described in subsection (2):

(a) Criminal penalties under state law or local ordinances regulating marihuana.

(b) State or local criminal prosecution for a marihuana-related offense.

(c) State or local civil prosecution for a marihuana-related offense.

(d) Search or inspection, except for an inspection authorized under this act by law enforcement officers, the municipality, or the department.

(e) Seizure of marihuana, real property, personal property, or anything of value based on a marihuana-related offense.

(f) Any sanction, including disciplinary action or denial of a right or privilege, by a business or occupational or professional licensing board or bureau based on a marihuana-related offense.

(2) The following activities are protected under subsection (1) if performed under a state operating license within the scope of that license and in accord with this act, rules, and any ordinance adopted under section 205:

- (a) Growing marihuana.
- (b) Purchasing, receiving, selling, transporting, or transferring marihuana from or to a licensee, a licensee's agent, a registered qualifying patient, or a registered primary caregiver.
- (c) Possessing marihuana.
- (d) Possessing or manufacturing marihuana paraphernalia for medical use.
- (e) Processing marihuana.
- (f) Transporting marihuana.
- (g) Testing, transferring, infusing, extracting, altering, or studying marihuana.
- (h) Receiving or providing compensation for products or services.
- (3) Except as otherwise provided in this act, a person who owns or leases real property upon which a marihuana facility is located and who has no knowledge that the licensee violated this act is not subject to any of the following for owning, leasing, or permitting the operation of a marihuana facility on the real property:
 - (a) Criminal penalties under state law or local ordinances regulating marihuana.
 - (b) State or local civil prosecution based on a marihuana-related offense.
 - (c) State or local criminal prosecution based on a marihuana-related offense.
 - (d) Search or inspection, except for an inspection authorized under this act by law enforcement officers, the municipality, or the department.
 - (e) Seizure of any real or personal property or anything of value based on a marihuana-related offense.
 - (f) Any sanction, including disciplinary action or denial of a right or privilege, by a business or occupational or professional licensing board or bureau.
- (4) Except as otherwise provided in this act, a certified public accountant who is licensed under article 7 of the occupational code, 1980 PA 299, MCL 339.720 to 339.736, is not subject to any of the following for engaging in the practice of public accounting as that term is defined in section 720 of the occupational code, 1980 PA 299, MCL 339.720, for an applicant or licensee who is in compliance with this act, rules, and the Michigan medical marihuana act:
 - (a) Criminal penalties under state law or local ordinances regulating marihuana.
 - (b) State or local civil prosecution based on a marihuana-related offense.
 - (c) State or local criminal prosecution based on a marihuana-related offense.
 - (d) Seizure of any real or personal property or anything of value based on a marihuana-related offense.
 - (e) Any sanction, including disciplinary action or denial of a right or privilege, by a business or occupational or professional licensing board or bureau based on a marihuana-related offense.
- (5) Except as otherwise provided in this act, a financial institution is not subject to any of the following for providing a financial service to a licensee under this act:
 - (a) Criminal penalties under state law or local ordinances regulating marihuana.
 - (b) State or local civil prosecution based on a marihuana-related offense.
 - (c) State or local criminal prosecution based on a marihuana-related offense.
 - (d) Seizure of any real or personal property or anything of value based on a marihuana-related offense.
 - (e) Any sanction, including disciplinary action or denial of a right or privilege, by a business or occupational or professional licensing board or bureau based on a marihuana-related offense.
- (6) For the purposes of regulating the commercial entities established under this act, any provisions of the following acts that are inconsistent with this act do not apply to a grower, processor, secure transporter, provisioning center, or safety compliance facility operating in compliance with this act:
 - (a) The business corporation act, 1972 PA 284, MCL 450.1101 to 450.2098.
 - (b) The nonprofit corporation act, 1982 PA 162, MCL 450.2101 to 450.3192.
 - (c) 1931 PA 327, MCL 450.98 to 450.192.
 - (d) The Michigan revised uniform limited partnership act, 1982 PA 213, MCL 449.1101 to 449.2108.
 - (e) The Michigan limited liability company act, 1993 PA 23, MCL 450.4101 to 450.5200.
 - (f) 1907 PA 101, MCL 445.1 to 445.5.
 - (g) 1913 PA 164, MCL 449.101 to 449.106.
 - (h) The uniform partnership act, 1917 PA 72, MCL 449.1 to 449.48.
- (7) As used in this section:
 - (a) "Financial institution" means any of the following:
 - (i) A state or national bank.
 - (ii) A state or federally chartered savings and loan association.
 - (iii) A state or federally chartered savings bank.
 - (iv) A state or federally chartered credit union.
 - (v) An insurance company.
 - (vi) An entity that offers any of the following to a resident of this state:

- (A) A mutual fund account.
- (B) A securities brokerage account.
- (C) A money market account.
- (D) A retail investment account.
- (vii) An entity regulated by the Securities and Exchange Commission that collects funds from the public.
- (viii) An entity that is a member of the National Association of Securities Dealers and that collects funds from the public.
- (ix) Another entity that collects funds from the public.
- (b) "Financial service" means a deposit; withdrawal; transfer between accounts; exchange of currency; loan; extension of credit; purchase or sale of any stock, bond, certificate of deposit, or other monetary instrument; or any other payment, transfer, or delivery by, through, or to a financial institution, by whatever means effected.

History: 2016, Act 281, Eff. Dec. 20, 2016;—Am. 2018, Act 10, Imd. Eff. Jan. 26, 2018.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

For transfer of powers and duties of the medical marihuana licensing board, marihuana advisory panel, and department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the medical marihuana licensing board, marihuana advisory panel, and bureau of marijuana regulation, see ERO No. 2019-2, compiled at MCL 333.27001.

333.27203 Registered qualifying patient or registered primary caregiver; criminal prosecution or sanctions prohibited; conditions.

Sec. 203. A registered qualifying patient or registered primary caregiver is not subject to criminal prosecution or sanctions for purchasing marihuana from a provisioning center if the quantity purchased is within the limits established under the Michigan medical marihuana act. A registered primary caregiver is not subject to criminal prosecution or sanctions for any transfer of 2.5 ounces or less of marihuana to a safety compliance facility for testing.

History: 2016, Act 281, Eff. Dec. 20, 2016.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

For transfer of powers and duties of the medical marihuana licensing board, marihuana advisory panel, and department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the medical marihuana licensing board, marihuana advisory panel, and bureau of marijuana regulation, see ERO No. 2019-2, compiled at MCL 333.27001.

333.27204 Medical purpose defense.

Sec. 204. This act does not limit the medical purpose defense provided in section 8 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26428, to any prosecution involving marihuana.

History: 2016, Act 281, Eff. Dec. 20, 2016.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

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333.27205 Marihuana facility; ordinance; requirements.

Sec. 205. (1) The board shall not issue a state operating license to an applicant unless the municipality in which the applicant's proposed marihuana facility will operate has adopted an ordinance that authorizes that type of facility. A municipality may adopt an ordinance to authorize 1 or more types of marihuana facilities within its boundaries and to limit the number of each type of marihuana facility. A municipality may adopt other ordinances relating to marihuana facilities within its jurisdiction, including zoning regulations, but shall not impose regulations regarding the purity or pricing of marihuana or interfering or conflicting with this act or rules for licensing marihuana facilities. A municipality that adopts an ordinance under this subsection that authorizes a marihuana facility shall provide the department with all of the following on a form prescribed and provided by the department:

(a) An attestation that the municipality has adopted an ordinance under this subsection that authorizes the marihuana facility.

(b) A description of any zoning regulations that apply to the proposed marihuana facility within the municipality.

(c) The signature of the clerk of the municipality or his or her designee.

(d) Any other information required by the department.

(2) A municipal ordinance may establish an annual, nonrefundable fee of not more than \$5,000.00 to help defray administrative and enforcement costs associated with the operation of a marihuana facility in the municipality.

(3) The department may require a municipality to provide the following information to the department on a form prescribed and provided by the department regarding a licensee who submits an application for license renewal:

(a) Information that the board declares necessary to determine whether the licensee's license should be renewed.

(b) A description of a violation of an ordinance or a zoning regulation adopted under subsection (1) committed by the licensee, but only if the violation relates to activities licensed under this act and rules or the Michigan medical marihuana act.

(c) Whether there has been a change to an ordinance or a zoning regulation adopted under subsection (1) since the license was issued to the licensee and a description of the change.

(4) Information a municipality obtains from an applicant under this section is exempt from disclosure under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246. Except as otherwise provided in this subsection, information a municipality provides to the department under this section is subject to disclosure under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

History: 2016, Act 281, Eff. Dec. 20, 2016;—Am. 2018, Act 10, Imd. Eff. Jan. 26, 2018.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

For transfer of powers and duties of the medical marihuana licensing board, marihuana advisory panel, and department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the medical marihuana licensing board, marihuana advisory panel, and bureau of marijuana regulation, see ERO No. 2019-2, compiled at MCL 333.27001.

333.27206 Rules.

Sec. 206. The marijuana regulatory agency shall promulgate rules and emergency rules as necessary to implement, administer, and enforce this act. The rules must ensure the safety, security, and integrity of the operation of marihuana facilities, and must include rules to do the following:

(a) Set appropriate standards for marihuana facilities and associated equipment.

(b) Subject to section 408, establish minimum levels of insurance that licensees must maintain.

(c) Establish operating regulations for each category of license to ensure the health, safety, and security of the public and the integrity of marihuana facility operations.

(d) Establish qualifications and restrictions for persons participating in or involved with operating marihuana facilities.

(e) Establish testing standards, procedures, and requirements for marihuana sold through provisioning centers.

(f) Provide for the levy and collection of fines for a violation of this act or rules.

(g) Prescribe use of the statewide monitoring system to track all marihuana transfers, as provided in the marihuana tracking act and this act, and provide for a funding mechanism to support the system.

(h) Establish quality control standards, procedures, and requirements for marihuana facilities.

(i) Establish chain of custody standards, procedures, and requirements for marihuana facilities.

(j) Establish standards, procedures, and requirements for waste product disposal and storage by marihuana facilities.

(k) Establish chemical storage standards, procedures, and requirements for marihuana facilities.

(l) Establish standards, procedures, and requirements for securely and safely transporting marihuana between marihuana facilities.

(m) Establish standards, procedures, and requirements for the storage of marihuana by marihuana facilities.

(n) Establish labeling and packaging standards, procedures, and requirements for marihuana sold or transferred through provisioning centers, including, but not limited to:

(i) A prohibition on labeling or packaging that is intended to appeal to or has the effect of appealing to

minors.

(ii) A requirement that all marihuana sold through provisioning centers include on the exterior of the marihuana packaging the following warning printed in clearly legible type and surrounded by a continuous heavy line:

WARNING: USE BY PREGNANT OR BREASTFEEDING WOMEN, OR BY
WOMEN PLANNING TO BECOME PREGNANT, MAY RESULT IN FETAL
INJURY, PRETERM BIRTH, LOW BIRTH WEIGHT, OR DEVELOPMENTAL
PROBLEMS FOR THE CHILD.

(o) Establish daily and monthly purchasing limits at provisioning centers for registered qualifying patients and registered primary caregivers to ensure compliance with the Michigan Medical Marihuana Act.

(p) Establish marketing and advertising restrictions for marihuana products and marihuana facilities.

(q) Establish maximum tetrahydrocannabinol levels for marihuana-infused products sold or transferred through provisioning centers.

(r) Establish health standards to ensure the safe preparation of products containing marihuana that are intended for human consumption in a manner other than smoke inhalation.

(s) Establish restrictions on edible marihuana-infused products to prohibit shapes that would appeal to minors.

(t) Establish standards, procedures, and requirements for the sale of industrial hemp from a provisioning center to a registered qualified patient. The rules promulgated under this subdivision must be promulgated before March 1, 2019.

(u) Establish informational pamphlet standards for provisioning centers including, but not limited to, a requirement to make available to every patron at the time of sale a pamphlet measuring 3.5 inches by 5 inches that includes safety information related to marihuana use by minors and the poison control hotline number.

(v) Establish procedures and standards for approving an appointee to operate a marihuana facility under section 206a.

History: 2016, Act 281, Eff. Dec. 20, 2016;—Am. 2018, Act 10, Imd. Eff. Jan. 26, 2018;—Am. 2018, Act 648, Eff. Mar. 28, 2019;—Am. 2020, Act 32, Imd. Eff. Feb. 20, 2020;—Am. 2020, Act 207, Imd. Eff. Oct. 15, 2020.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

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333.27206a Operation of a marihuana facility; appointment and approval; notice of violation.

Sec. 206a. (1) The marijuana regulatory agency may approve the operation of a marihuana facility by any of the following:

(a) A court-appointed personal representative, guardian, or conservator of an individual who holds a state license or has an interest in a person that holds a state license.

(b) A court-appointed receiver or trustee.

(2) If an individual approved to operate a marihuana facility under subsection (1) receives notice from the marijuana regulatory agency that the marihuana facility the individual is operating is in violation of this act or rules, the individual shall notify the court that appointed the individual of the notice of violation within 2 days after receiving the notice of violation.

History: Add. 2020, Act 207, Imd. Eff. Oct. 15, 2020.

333.27207 Third-party inventory control and tracking system; exception for statewide monitoring system.

Sec. 207. (1) Except as otherwise provided in subsection (2), a licensee shall adopt and use a third-party inventory control and tracking system that is capable of interfacing with the statewide monitoring system to allow the licensee to enter or access information in the statewide monitoring system as required under this act and rules. The third-party inventory control and tracking system must have all of the following capabilities necessary for the licensee to comply with the requirements applicable to the licensee's license type:

(a) Tracking all marihuana plants, products, packages, patient and primary caregiver purchase totals, waste, transfers, conversions, sales, and returns that are linked to unique identification numbers.

(b) Tracking lot and batch information throughout the entire chain of custody.

(c) Tracking all products, conversions, and derivatives throughout the entire chain of custody.

- (d) Tracking marihuana plant, batch, and product destruction.
- (e) Tracking transportation of product.
- (f) Performing complete batch recall tracking that clearly identifies all of the following details relating to the specific batch subject to the recall:
 - (i) Sold product.
 - (ii) Product inventory that is finished and available for sale.
 - (iii) Product that is in the process of transfer.
 - (iv) Product being processed into another form.
 - (v) Postharvest raw product, such as product that is in the drying, trimming, or curing process.
 - (g) Reporting and tracking loss, theft, or diversion of product containing marihuana.
 - (h) Reporting and tracking all inventory discrepancies.
 - (i) Reporting and tracking adverse patient responses or dose-related efficacy issues.
 - (j) Reporting and tracking all sales and refunds.
 - (k) Electronically receiving and transmitting information as required under this act, the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430, and the marihuana tracking act.
 - (l) Receiving testing results electronically from a safety compliance facility via a secured application program interface into the system and directly linking the testing results to each applicable source batch and sample.
 - (m) Identifying test results that may have been altered.
 - (n) Providing the licensee with access to information in the tracking system that is necessary to verify that the licensee is carrying out the marihuana transactions authorized under the licensee's license in accordance with this act.
 - (o) Providing information to cross-check that product sales are made to a registered qualifying patient or a registered primary caregiver on behalf of a registered qualifying patient and that the product received the required testing.
 - (p) Providing the department and state agencies with access to information in the database that they are authorized to access.
 - (q) Providing law enforcement agencies with access to only the information in the database that is necessary to verify that an individual possesses a valid and current registry identification card.
 - (r) Providing licensees with access only to the information in the system that they are required to receive before a sale, transfer, transport, or other activity authorized under a license issued under this act.
 - (s) Securing the confidentiality of information in the database by preventing access by a person who is not authorized to access the statewide monitoring system or is not authorized to access the particular information.
 - (t) Providing analytics to the department regarding key performance indicators such as the following:
 - (i) Total daily sales.
 - (ii) Total marihuana plants in production.
 - (iii) Total marihuana plants destroyed.
 - (iv) Total inventory adjustments.
- (2) If the statewide monitoring system is capable of allowing a licensee to access or enter information into the statewide monitoring system without use of a third-party inventory control and tracking system, a licensee may access or enter information into the statewide monitoring system directly and the licensee is not required to adopt and use a third-party inventory control and tracking system.

History: 2016, Act 281, Eff. Dec. 20, 2016;—Am. 2018, Act 582, Eff. Jan. 1, 2019.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

For transfer of powers and duties of the medical marihuana licensing board, marihuana advisory panel, and department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the medical marihuana licensing board, marihuana advisory panel, and bureau of marijuana regulation, see ERO No. 2019-2, compiled at MCL 333.27001.

333.27208 Marihuana facility and property; examination by local and state police.

Sec. 208. A marihuana facility and all articles of property in that facility are subject to examination at any time by a local police agency or the department of state police.

History: 2016, Act 281, Eff. Dec. 20, 2016.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear

requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

For transfer of powers and duties of the medical marihuana licensing board, marihuana advisory panel, and department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the medical marihuana licensing board, marihuana advisory panel, and bureau of marijuana regulation, see ERO No. 2019-2, compiled at MCL 333.27001.

PART 3. MEDICAL MARIHUANA LICENSING BOARD

333.27301 Medical marihuana licensing board; creation; membership; appointment; terms; vacancy; reimbursement for expenses; other public office; eligibility; removal of member; appointment and employment limitations; financial disclosure statement; direct or indirect interest.

Sec. 301. (1) The medical marihuana licensing board is created within the department of licensing and regulatory affairs.

(2) The board consists of 5 members who are residents of this state, not more than 3 of whom are members of the same political party. The governor shall appoint the members. One of the members shall be appointed from 3 nominees submitted by the senate majority leader and 1 from 3 nominees submitted by the speaker of the house. The governor shall designate 1 of the members as chairperson.

(3) The members shall be appointed for terms of 4 years, except, of those who are first appointed, 1 member shall be appointed for a term of 2 years and 2 members shall be appointed for a term of 3 years. A member's term expires on December 31 of the last year of the member's term. If a vacancy occurs, the governor shall appoint a successor to fill the unexpired term in the manner of the original appointment.

(4) Each member of the board shall be reimbursed for all actual and necessary expenses and disbursements incurred in carrying out official duties.

(5) A board member shall not hold any other public office for which he or she receives compensation other than necessary travel or other incidental expenses.

(6) A person who is not of good moral character or who has been indicted for, charged with, or convicted of, pled guilty or nolo contendere to, or forfeited bail concerning any felony or a misdemeanor involving a controlled substance violation, theft, dishonesty, or fraud under the laws of this state, any other state, or the United States or a local ordinance in any state involving a controlled substance violation, dishonesty, theft, or fraud that substantially corresponds to a misdemeanor in that state is not eligible to serve on the board.

(7) The governor may remove any member of the board for neglect of duty, misfeasance, malfeasance, nonfeasance, or any other just cause.

(8) The board shall not appoint or employ an individual if any of the following circumstances exist:

(a) During the 3 years immediately preceding appointment or employment, the individual held any direct or indirect interest in, or was employed by, a person who is licensed to operate under this act or under a corresponding license in another jurisdiction or a person with an application for an operating license pending before the board or in any other jurisdiction. The board shall not employ an individual who has a direct or indirect interest in a licensee or a marihuana facility.

(b) The individual or his or her spouse, parent, child, child's spouse, sibling, or spouse of a sibling has an application for a license pending before the board or is a member of the board of directors of, or an individual financially interested in, any licensee or marihuana facility.

(9) Each member of the board and each key employee as determined by the department shall file with the governor a financial disclosure statement listing all assets and liabilities, property and business interests, and sources of income of the member and key employee and his or her spouse, if any, affirming that the member and key employee are in compliance with subsection (8)(a) and (b). The financial disclosure statement shall be made under oath and filed at the time of employment and annually thereafter.

(10) Each employee of the board shall file with the board a financial disclosure statement listing all assets and liabilities, property and business interests, and sources of income of the employee and his or her spouse. This subsection does not apply to a key employee.

(11) A member of the board or key employee shall not hold any direct or indirect interest in, be employed by, or enter into a contract for services with an applicant, a board licensee, or a marihuana facility for a period of 4 years after the date his or her employment or membership on the board terminates. The department in consultation with the board shall define the term "direct or indirect interest" by rule.

(12) For 2 years after the date his or her employment with the board is terminated, an employee of the board shall not acquire any direct or indirect interest in, be employed by, or enter into a contract for services with any applicant, licensee, or marihuana facility.

(13) For 2 years after the termination of his or her office or employment with the board, a board member or an individual employed by the board shall not represent any person or party other than this state before or

against the board.

(14) A business entity in which a former board member or employee or agent has an interest, or any partner, officer, or employee of the business entity, shall not make any appearance or represent a party that the former member, employee, or agent is prohibited from appearing for or representing. As used in this subsection, "business entity" means a corporation, limited liability company, partnership, limited liability partnership, association, trust, or other form of legal entity.

History: 2016, Act 281, Eff. Dec. 20, 2016;—Am. 2018, Act 582, Eff. Jan. 1, 2019.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

For transfer of powers and duties of the medical marihuana licensing board, marihuana advisory panel, and department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the medical marihuana licensing board, marihuana advisory panel, and bureau of marijuana regulation, see ERO No. 2019-2, compiled at MCL 333.27001.

333.27302 Board; duties.

Sec. 302. The board has general responsibility for implementing this act. The board has the powers and duties specified in this act and all other powers necessary and proper to fully and effectively implement and administer this act for the purpose of licensing, regulating, and enforcing the licensing and regulation system established under this act for marihuana growth, processing, testing, and transporting. The board is subject to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328. The board's duties include all of the following:

- (a) Granting or denying each application for a state operating license within a reasonable time.
- (b) Deciding all license applications in reasonable order.
- (c) Conducting its public meetings in compliance with the open meetings act, 1976 PA 267, MCL 15.231 to 15.246.
- (d) Consulting with the department in promulgating rules and emergency rules as necessary to implement, administer, and enforce this act. The board shall not promulgate a rule establishing a limit on the number or type of marihuana facility licenses that may be granted.
- (e) Implementing and collecting the application fee described in section 401 and, in conjunction with the department of treasury, the tax described in section 601 and regulatory assessment described in section 603.
- (f) Providing for the levy and collection of fines for a violation of this act or rules.
- (g) Providing oversight of a marihuana facility through the board's inspectors, agents, and auditors and through the state police or attorney general for the purpose of certifying the revenue, receiving complaints from the public, or conducting investigations into the operation of the marihuana facility as the board considers necessary and proper to ensure compliance with this act and rules and to protect and promote the overall safety, security, and integrity of the operation of a marihuana facility.
- (h) Providing oversight of marihuana facilities to ensure that marihuana-infused products meet health and safety standards that protect the public to a degree comparable to state and federal standards applicable to similar food and drugs.
- (i) Reviewing and ruling on any complaint by a licensee regarding any investigative procedures of this state that are believed to be unnecessarily disruptive of marihuana facility operations. The need to inspect and investigate is presumed at all times. The board may delegate authority to hear, review, or rule on licensee complaints to a subcommittee of the board. To prevail on the complaint, a licensee must establish by a preponderance of the evidence that the procedures unreasonably disrupted its marihuana facility operations.
- (j) Holding at least 2 public meetings each year. Upon 72 hours' written notice to each member, the chairperson or any 2 board members may call a special meeting. Three members of the board constitute a quorum, including when making determinations on an application for a license. Three votes are required in support of final determinations of the board on applications for licenses and all other licensing determinations, except that 4 votes are required in support of a determination to suspend or revoke a license. The board shall keep a complete and accurate record of all of its meetings and hearings. Upon order of the board, 1 of the board members or a hearing officer designated by the board may conduct any hearing provided for under this act or by rules and may recommend findings and decisions to the board. The board member or hearing officer conducting the hearing has all powers and rights regarding the conduct of hearings granted to the board under this act. The record made at the time of the hearing shall be reviewed by the board or a majority of the board, and the findings and decision of the majority of the board are the order of the board in the case.
- (k) Maintaining records that are separate and distinct from the records of any other state board. The records shall be made available for public inspection subject to the limitations of this act and shall accurately reflect

all board proceedings.

(l) Reviewing the patterns of marihuana transfers by the licensees under this act as recorded in a statewide database established for use in administering and enforcing this act and making recommendations to the governor and the legislature in a written annual report to the governor and the legislature and additional reports that the governor requests. The annual report shall be submitted by April 15 of each year and shall include the report required under section 702, a statement of receipts and disbursements by the board, the actions taken by the board, and any additional information and recommendations that the board considers appropriate or that the governor requests.

(m) Except as otherwise provided in this act, all information, records, interviews, reports, statements, memoranda, or other data supplied to or used by the board are subject to the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246, except for the following:

(i) Unless presented during a public hearing or requested by the licensee or applicant who is the sole subject of the data, all of the information, records, interviews, reports, statements, memoranda, or other data supplied to, created by, or used by the board related to background investigation of applicants or licensees and to trade secrets, internal controls, and security measures of the licensees or applicants.

(ii) All information, records, interviews, reports, statements, memoranda, or other data supplied to or used by the board that have been received from another jurisdiction or local, state, or federal agency under a promise of confidentiality or if the release of the information is otherwise barred by the statutes, rules, or regulations of that jurisdiction or agency or by an intergovernmental agreement.

(iii) All information in the statewide monitoring system.

History: 2016, Act 281, Eff. Dec. 20, 2016.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

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333.27303 Marijuana regulatory agency; powers.

Sec. 303. (1) The marijuana regulatory agency has jurisdiction over the operation of all marihuana facilities. The marijuana regulatory agency has all powers necessary and proper to fully and effectively oversee the operation of marihuana facilities, including the authority to do all of the following:

(a) Investigate applicants for state operating licenses, determine the eligibility for licenses, and grant licenses to applicants in accordance with this act and the rules.

(b) Investigate all individuals employed by marihuana facilities.

(c) At any time, through its investigators, agents, auditors, or the state police, without a warrant and without notice to the licensee, enter the premises, offices, facilities, or other places of business of a licensee, if evidence of compliance or noncompliance with this act or rules is likely to be found and consistent with constitutional limitations, for the following purposes:

(i) To inspect and examine all premises of marihuana facilities.

(ii) To inspect, examine, and audit relevant records of the licensee and, if the licensee fails to cooperate with an investigation, impound, seize, assume physical control of, or summarily remove from the premises all books, ledgers, documents, writings, photocopies, correspondence, records, and videotapes, including electronically stored records, money receptacles, or equipment in which the records are stored.

(iii) To inspect the person, and inspect or examine personal effects present in a marihuana facility, of any holder of a state operating license while that person is present in a marihuana facility.

(iv) To investigate alleged violations of this act or rules.

(d) Investigate alleged violations of this act or rules and take appropriate disciplinary action against a licensee.

(e) Consult with the department in adopting rules to establish appropriate standards for marihuana facilities and associated equipment.

(f) Require all relevant records of licensees, including financial or other statements, to be kept on the premises authorized for operation of the marihuana facility of the licensee or in the manner prescribed by the marijuana regulatory agency.

(g) Require that each licensee of a marihuana facility submit to the marijuana regulatory agency a list of the stockholders or other persons having a 2.5% or greater beneficial interest in the facility in addition to any other information the marijuana regulatory agency considers necessary to effectively administer this act and

rules, orders, and final decisions made under this act.

(h) Eject, or exclude or authorize the ejection or exclusion of, an individual from a marihuana facility if the individual violates this act, rules, or final orders of the marijuana regulatory agency. However, the propriety of the ejection or exclusion is subject to a subsequent hearing by the marijuana regulatory agency.

(i) Conduct periodic audits of marihuana facilities licensed under this act.

(j) Consult with the department as to appropriate minimum levels of insurance for licensees in addition to the minimum established under section 408 for liability insurance.

(k) Delegate the execution of any of its powers that are not specifically and exclusively reserved to the marijuana regulatory agency under this act for the purpose of administering and enforcing this act and rules.

(l) Take disciplinary action as the marijuana regulatory agency considers appropriate to prevent practices that violate this act and rules.

(m) Review a licensee if that licensee is under review or the subject of discipline by a regulatory body in any other jurisdiction for a violation of a controlled substance or marihuana law or regulation in that jurisdiction.

(n) Take any other reasonable or appropriate action to enforce this act and rules.

(2) The marijuana regulatory agency may seek and shall receive the cooperation and assistance of the department of state police in conducting background investigations of applicants and in fulfilling its responsibilities under this act. The department of state police may recover its costs of cooperation under this subsection.

History: 2016, Act 281, Eff. Dec. 20, 2016;—Am. 2020, Act 207, Imd. Eff. Oct. 15, 2020.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

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333.27305 Board; disclosure form; providing certain notices to chairperson; ex parte communication; outside employment; personal transaction involving marihuana with licensee or applicant; violation.

Sec. 305. (1) By January 31 of each year, each member of the board shall prepare and file with the governor's office and the board a disclosure form in which the member does all of the following:

(a) Affirms that the member or the member's spouse, parent, child, or child's spouse is not a member of the board of directors of, financially interested in, or employed by a licensee or applicant.

(b) Affirms that the member continues to meet any other criteria for board membership under this act or the rules promulgated by the board.

(c) Discloses any legal or beneficial interests in any real property that is or that may be directly or indirectly involved with operations authorized by this act.

(d) Discloses any other information as may be required to ensure that the integrity of the board and its work is maintained.

(2) By January 31 of each year, each employee of the board shall prepare and file with the board an employee disclosure form in which the employee does all of the following:

(a) Affirms the absence of financial interests prohibited by this act.

(b) Discloses any legal or beneficial interests in any real property that is or that may be directly or indirectly involved with operations authorized by this act.

(c) Discloses whether the employee or the employee's spouse, parent, child, or child's spouse is financially interested in or employed by a licensee or an applicant for a license under this act.

(d) Discloses such other matters as may be required to ensure that the integrity of the board and its work is maintained.

(3) A member, employee, or agent of the board who becomes aware that the member, employee, or agent of the board or his or her spouse, parent, or child is a member of the board of directors of, financially interested in, or employed by a licensee or an applicant shall immediately provide detailed written notice thereof to the chairperson.

(4) A member, employee, or agent of the board who within the previous 10 years has been indicted for, charged with, or convicted of, pled guilty or nolo contendere to, or forfeited bail concerning a misdemeanor involving controlled substances, dishonesty, theft, or fraud or a local ordinance in any state involving controlled substances, dishonesty, theft, or fraud that substantially corresponds to a misdemeanor in that state,

or a felony under Michigan law, the laws of any other state, or the laws of the United States or any other jurisdiction shall immediately provide detailed written notice of the conviction or charge to the chairperson.

(5) Any member, employee, or agent of the board who is negotiating for, or acquires by any means, any interest in any person who is a licensee or an applicant, or any person affiliated with such a person, shall immediately provide written notice of the details of the interest to the chairperson. The member, employee, or agent of the board shall not act on behalf of the board with respect to that person.

(6) A member, employee, or agent of the board shall not enter into any negotiations for employment with any person or affiliate of any person who is a licensee or an applicant and shall immediately provide written notice of the details of any such negotiations or discussions in progress to the chairperson. The member, employee, or agent of the board shall not take action on behalf of the board with respect to that person.

(7) Any member, employee, or agent of the board who receives an invitation, written or oral, to initiate a discussion concerning employment or the possibility of employment with a person or affiliate of a person who is a licensee or an applicant shall immediately report that he or she received the invitation to the chairperson. The member, employee, or agent of the board shall not take action on behalf of the board with respect to the person.

(8) A licensee or applicant shall not knowingly initiate a negotiation for or discussion of employment with a member, employee, or agent of the board. A licensee or applicant who initiates a negotiation or discussion about employment shall immediately provide written notice of the details of the negotiation or discussion to the chairperson as soon as he or she becomes aware that the negotiation or discussion has been initiated with a member, employee, or agent of the board.

(9) A member, employee, or agent of the board, or former member, employee, or agent of the board, shall not disseminate or otherwise disclose any material or information in the possession of the board that the board considers confidential unless specifically authorized to do so by the chairperson or the board.

(10) A member, employee, or agent of the board or a parent, spouse, sibling, spouse of a sibling, child, or spouse of a child of a member, employee, or agent of the board shall not accept any gift, gratuity, compensation, travel, lodging, or anything of value, directly or indirectly, from any licensee or any applicant or affiliate or representative of a licensee or applicant, unless the acceptance conforms to a written policy or directive that is issued by the chairperson or the board. Any member, employee, or agent of the board who is offered or receives any gift, gratuity, compensation, travel, lodging, or anything of value, directly or indirectly, from any licensee or any applicant or affiliate or representative of an applicant or licensee shall immediately provide written notification of the details to the chairperson.

(11) A licensee or applicant, or an affiliate or representative of an applicant or licensee, shall not, directly or indirectly, give or offer to give any gift, gratuity, compensation, travel, lodging, or anything of value to any member, employee, or agent of the board that the member, employee, or agent of the board is prohibited from accepting under subsection (10).

(12) A member, employee, or agent of the board shall not engage in any conduct that constitutes a conflict of interest and shall immediately advise the chairperson in writing of the details of any incident or circumstances that would present the existence of a conflict of interest with respect to performing board-related work or duties.

(13) A member, employee, or agent of the board who is approached and offered a bribe as described in section 118 of the Michigan penal code, 1931 PA 328, MCL 750.118, or this act shall immediately provide written account of the details of the incident to the chairperson and to a law enforcement officer of a law enforcement agency having jurisdiction.

(14) A member, employee, or agent of the board shall disclose his or her past involvement with any marijuana enterprise in the past 5 years and shall not engage in political activity or politically related activity during the duration of his or her appointment or employment.

(15) A former member, employee, or agent of the board may appear before the board as a fact witness about matters or actions handled by the member, employee, or agent during his or her tenure as a member, employee, or agent of the board. The member, employee, or agent of the board shall not receive compensation for such an appearance other than a standard witness fee and reimbursement for travel expenses as established by statute or court rule.

(16) A licensee or applicant or any affiliate or representative of an applicant or licensee shall not engage in ex parte communications with a member of the board. A member of the board shall not engage in any ex parte communications with a licensee or an applicant or with any affiliate or representative of an applicant or licensee.

(17) Any board member, licensee, or applicant or affiliate or representative of a board member, licensee, or applicant who receives any ex parte communication in violation of subsection (16), or who is aware of an attempted communication in violation of subsection (16), shall immediately report details of the

communication or attempted communication in writing to the chairperson.

(18) Any member of the board who receives an ex parte communication in an attempt to influence that member's official action shall disclose the source and content of the communication to the chairperson. The chairperson may investigate or initiate an investigation of the matter with the assistance of the attorney general and state police to determine if the communication violates subsection (16) or subsection (17) or other state law. The disclosure under this section and the investigation are confidential. Following an investigation, the chairperson shall advise the governor or the board, or both, of the results of the investigation and may recommend action as the chairperson considers appropriate. If the chairperson receives such an ex parte communication, he or she shall report the communication to the governor's office for appropriate action.

(19) A new or current employee or agent of the board shall obtain written permission from the director of the department or his or her designee before continuing outside employment held at the time the employee begins to work for the board. Permission shall be denied, or permission previously granted shall be revoked, if the director of the department or his or her designee considers the nature of the work to create a possible conflict of interest or if it would otherwise interfere with the duties of the employee or agent for the board.

(20) An employee or agent of the board granted permission for outside employment shall not conduct any business or perform any activities, including solicitation, related to outside employment on premises used by the board or during the employee's working hours for the board.

(21) The chairperson shall report any action he or she has taken or proposes to take under this section with respect to an employee or agent or former employee or former agent to the board at the next meeting of the board.

(22) Except as allowed under the Michigan medical marihuana act, a member, employee, or agent of the board shall not enter into any personal transaction involving marihuana with a licensee or applicant.

(23) If a licensee or applicant, or an affiliate or representative of a licensee or applicant, violates this section, the board may deny a license application, revoke or suspend a license, or take other disciplinary action as provided in section 407.

(24) Violation of this section by a member of the board may result in disqualification or constitute cause for removal under section 301(7) or other disciplinary action as recommended by the board to the governor.

(25) A violation of this section by an employee or agent of the board need not result in termination of employment if the board determines that the conduct involved does not violate the purpose of this act. However, all of the following apply:

(a) If, after being offered employment or beginning employment with the board, the employee or agent intentionally acquires a financial interest in a licensee or an applicant, or an affiliate or representative of a licensee or applicant, the offer or employment with the board shall be terminated.

(b) If a financial interest in a licensee or an applicant, or an affiliate or representative of a licensee or applicant, is acquired by an employee or agent that has been offered employment with the board, an employee of the board, or the employee's or agent's spouse, parent, or child, through no intentional action of the employee or agent, the individual shall have up to 30 days to divest or terminate the financial interest. Employment may be terminated if the interest has not been divested after 30 days.

(c) Employment shall be terminated if the employee or agent is a spouse, parent, child, or spouse of a child of a board member.

(26) Violation of this section does not create a civil cause of action.

(27) As used in this section:

(a) "Outside employment", in addition to employment by a third party, includes, but is not limited to, the following:

(i) Operation of a proprietorship.

(ii) Participation in a partnership or group business enterprise.

(iii) Performance as a director or corporate officer of any for-profit or nonprofit corporation or banking or credit institution.

(iv) Performance as a manager of a limited liability company.

(b) "Political activity" or "politically related activity" includes all of the following:

(i) Using his or her official authority or influence for the purpose of interfering with or affecting the result of an election.

(ii) Knowingly soliciting, accepting, or receiving a political contribution from any person.

(iii) Running for the nomination or as a candidate for election to a partisan political office.

(iv) Knowingly soliciting or discouraging the participation in any political activity of any person who is either of the following:

(A) Applying for any compensation, grant, contract, ruling, license, permit, or certificate pending before the board.

(B) The subject of or a participant in an ongoing audit, investigation, or enforcement action being carried out by the board.

History: 2016, Act 281, Eff. Dec. 20, 2016;—Am. 2018, Act 582, Eff. Jan. 1, 2019.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

For transfer of powers and duties of the medical marihuana licensing board, marihuana advisory panel, and department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the medical marihuana licensing board, marihuana advisory panel, and bureau of marijuana regulation, see ERO No. 2019-2, compiled at MCL 333.27001.

PART 4. LICENSING

333.27401 Licensure; application; background investigation; consent to inspections, examinations, searches, and seizures; disclosure of confidential records; interest in other state operating license; fee; additional costs; notification to municipality.

Sec. 401. (1) A person may apply to the marijuana regulatory agency for state operating licenses in the categories of class A, B, or C grower; processor; provisioning center; secure transporter; and safety compliance facility as provided in this act. The application shall be made under oath on a form provided by the marijuana regulatory agency and shall contain information as prescribed by the marijuana regulatory agency, including, but not limited to, all of the following:

(a) The name, business address, business telephone number, Social Security number, and, if applicable, federal tax identification number of the applicant.

(b) The identity of every person having a 2.5% or greater ownership interest in the applicant with respect to which the license is sought. If the disclosed entity is a trust, the application shall disclose the names and addresses of the beneficiaries; if a privately held corporation, the names and addresses of all shareholders, officers, and directors; if a publicly held corporation, the names and addresses of all shareholders holding a direct or indirect interest of greater than 5%, officers, and directors; if a partnership or limited liability partnership, the names and addresses of all partners; if a limited partnership or limited liability limited partnership, the names of all partners, both general and limited; or if a limited liability company, the names and addresses of all members and managers.

(c) An identification of any business that is directly or indirectly involved in the growing, processing, testing, transporting, or sale of marihuana, including, if applicable, the state of incorporation or registration, in which an applicant or, if the applicant is an individual, the applicant's spouse, parent, or child has any equity interest. If an applicant is a corporation, partnership, or other business entity, the applicant shall identify any other corporation, partnership, or other business entity that is directly or indirectly involved in the growing, processing, testing, transporting, or sale of marihuana in which it has any equity interest, including, if applicable, the state of incorporation or registration. An applicant may comply with this subdivision by filing a copy of the applicant's registration with the Securities and Exchange Commission if the registration contains the information required by this subdivision.

(d) Whether an applicant has been indicted for, charged with, arrested for, or convicted of, pled guilty or nolo contendere to, forfeited bail concerning any criminal offense under the laws of any jurisdiction, either felony or controlled-substance-related misdemeanor, not including traffic violations, regardless of whether the offense has been reversed on appeal or otherwise, including the date, the name and location of the court, arresting agency, and prosecuting agency, the case caption, the docket number, the offense, the disposition, and the location and length of incarceration.

(e) Whether an applicant has ever applied for or has been granted any commercial license or certificate issued by a licensing authority in Michigan or any other jurisdiction that has been denied, restricted, suspended, revoked, or not renewed and a statement describing the facts and circumstances concerning the application, denial, restriction, suspension, revocation, or nonrenewal, including the licensing authority, the date each action was taken, and the reason for each action.

(f) Whether an applicant has filed, or been served with, a complaint or other notice filed with any public body, regarding the delinquency in the payment of, or a dispute over the filings concerning the payment of, any tax required under federal, state, or local law, including the amount, type of tax, taxing agency, and time periods involved.

(g) A statement listing the names and titles of all public officials or officers of any unit of government, and the spouses, parents, and children of those public officials or officers, who, directly or indirectly, own any financial interest in, have any beneficial interest in, are the creditors of or hold any debt instrument issued by,

or hold or have any interest in any contractual or service relationship with an applicant. As used in this subdivision, public official or officer does not include a person who would have to be listed solely because of his or her state or federal military service.

(h) A description of the type of marihuana facility; anticipated or actual number of employees; and projected or actual gross receipts.

(i) Financial information in the manner and form prescribed by the marijuana regulatory agency.

(j) A paper copy or electronic posting website reference for the ordinance or zoning restriction that the municipality adopted to authorize or restrict operation of 1 or more marihuana facilities in the municipality.

(k) A copy of the notice informing the municipality by registered mail that the applicant has applied for a license under this act. The applicant shall also certify that it has delivered the notice to the municipality or will do so by 10 days after the date the applicant submits the application for a license to the marijuana regulatory agency.

(l) Any other information the department requires by rule.

(2) The marijuana regulatory agency shall use information provided on the application as a basis to conduct a thorough background investigation on the applicant. A false application is cause for the marijuana regulatory agency to deny a license. The marijuana regulatory agency shall not consider an incomplete application but shall, within a reasonable time, return the application to the applicant with notification of the deficiency and instructions for submitting a corrected application. Information the marijuana regulatory agency obtains from the background investigation is exempt from disclosure under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(3) An applicant must provide written consent to the inspections, examinations, searches, and seizures provided for in section 303(1)(c)(i) to (iv) and to disclosure to the marijuana regulatory agency and its agents of otherwise confidential records, including tax records held by any federal, state, or local agency, or credit bureau or financial institution, while applying for or holding a license. Information the marijuana regulatory agency receives under this subsection is exempt from disclosure under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(4) An applicant must certify that the applicant does not have an interest in any other state operating license that is prohibited under this act.

(5) A nonrefundable application fee must be paid at the time of filing to defray the costs associated with the background investigation conducted by the marijuana regulatory agency. The marijuana regulatory agency shall set the amount of the application fee for each category and class of license by rule. If the costs of the investigation and processing the application exceed the application fee, the applicant shall pay the additional amount to the marijuana regulatory agency. All information, records, interviews, reports, statements, memoranda, or other data supplied to or used by the marijuana regulatory agency in the course of its review or investigation of an application for a license under this act shall be disclosed only in accordance with this act. The information, records, interviews, reports, statements, memoranda, or other data are not admissible as evidence or discoverable in any action of any kind in any court or before any tribunal, board, agency, or person, except for any action considered necessary by the marijuana regulatory agency.

(6) By 10 days after the date the applicant submits an application to the marijuana regulatory agency, the applicant shall notify the municipality by registered mail that it has applied for a license under this act.

History: 2016, Act 281, Eff. Dec. 20, 2016;—Am. 2018, Act 582, Eff. Jan. 1, 2019;—Am. 2020, Act 207, Imd. Eff. Oct. 15, 2020.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

For transfer of powers and duties of the medical marihuana licensing board, marihuana advisory panel, and department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the medical marihuana licensing board, marihuana advisory panel, and bureau of marijuana regulation, see ERO No. 2019-2, compiled at MCL 333.27001.

333.27402 License; issuance; ineligibility; circumstances; other considerations granting license; fingerprint processing fee; criminal history check; requirements applicable to fingerprints; definitions; review of application; informing applicant of decision; issuance; duration; renewal; notice; expiration; consent to inspections; examinations, searches, and seizures; information required to be provided by applicant.

Sec. 402. (1) The board shall issue a license to an applicant who submits a complete application and pays both the nonrefundable application fee required under section 401(5) and the regulatory assessment established by the board for the first year of operation, if the board determines that the applicant is qualified to receive a license under this act.

(2) An applicant is ineligible to receive a license if any of the following circumstances exist:

(a) The applicant has been convicted of or released from incarceration for a felony under the laws of this state, any other state, or the United States within the past 10 years or has been convicted of a controlled substance-related felony within the past 10 years.

(b) Within the past 5 years the applicant has been convicted of a misdemeanor involving a controlled substance, theft, dishonesty, or fraud in any state or been found responsible for violating a local ordinance in any state involving a controlled substance, dishonesty, theft, or fraud that substantially corresponds to a misdemeanor in that state.

(c) The applicant has knowingly submitted an application for a license under this act that contains false information.

(d) The applicant is a member of the board.

(e) The applicant fails to demonstrate the applicant's ability to maintain adequate premises liability and casualty insurance for its proposed marihuana facility.

(f) The applicant holds an elective office of a governmental unit of this state, another state, or the federal government; is a member of or employed by a regulatory body of a governmental unit in this state, another state, or the federal government; or is employed by a governmental unit of this state. This subdivision does not apply to an elected officer of or employee of a federally recognized Indian tribe or to an elected precinct delegate.

(g) The board determines that the applicant is not in compliance with section 205(1).

(h) The applicant fails to meet other criteria established by rule.

(3) In determining whether to grant a license to an applicant, the board may also consider all of the following:

(a) The integrity, moral character, and reputation; personal and business probity; financial ability and experience; and responsibility or means to operate or maintain a marihuana facility of the applicant and of any other person that meets either of the following:

(i) Controls, directly or indirectly, the applicant.

(ii) Is controlled, directly or indirectly, by the applicant or by a person who controls, directly or indirectly, the applicant.

(b) The financial ability of the applicant to purchase and maintain adequate liability and casualty insurance.

(c) The sources and total amount of the applicant's capitalization to operate and maintain the proposed marihuana facility.

(d) Whether the applicant has been indicted for, charged with, arrested for, or convicted of, pled guilty or nolo contendere to, forfeited bail concerning, or had expunged any relevant criminal offense under the laws of any jurisdiction, either felony or misdemeanor, not including traffic violations, regardless of whether the offense has been expunged, pardoned, or reversed on appeal or otherwise.

(e) Whether the applicant has filed, or had filed against it, a proceeding for bankruptcy within the past 7 years.

(f) Whether the applicant has been served with a complaint or other notice filed with any public body regarding payment of any tax required under federal, state, or local law that has been delinquent for 1 or more years.

(g) Whether the applicant has a history of noncompliance with any regulatory requirements in this state or any other jurisdiction.

(h) Whether at the time of application the applicant is a defendant in litigation involving its business practices.

(i) Whether the applicant meets other standards in rules applicable to the license category.

(4) Each applicant shall ensure that 1 set of fingerprints is submitted to the department of state police. The applicant shall submit with its application the applicant's written consent to the criminal history check described in this section and the submission of the applicant's fingerprints to, and the inclusion of the applicant's fingerprints in, the state and federal database systems described in subsection (7).

(5) The fingerprints required under subsection (4) may be taken by a law enforcement agency or any other person determined by the department of state police to be qualified to take fingerprints. The applicant shall submit a fingerprint processing fee to the department in an amount required under section 3 of 1935 PA 120, MCL 28.273, and any costs imposed by the Federal Bureau of Investigation.

(6) The department of state police shall do all of the following:

(a) Conduct a criminal history check on each applicant and request the Federal Bureau of Investigation to make a determination of the existence of any national criminal history pertaining to each applicant.

(b) Provide the board with a written report containing the criminal history record information of each applicant.

(7) All of the following apply concerning fingerprints submitted to the department of state police under this section:

(a) The department of state police shall store and retain all fingerprints submitted under this section in an automated fingerprint identification system database that searches against latent fingerprints, and provides for an automatic notification if and when a subsequent fingerprint is submitted into the system that matches a set of fingerprints previously submitted under this section or if and when the criminal history of an individual whose fingerprints are retained in the system is updated. Upon receiving a notification, the department of state police shall immediately notify the board. Information in the database maintained under this subsection is confidential, is not subject to disclosure under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246, and shall not be disclosed to any person except for purposes of this act or for law enforcement purposes.

(b) The department of state police shall forward all fingerprints submitted to it under this section to the Federal Bureau of Investigation for submission of those fingerprints into the FBI automatic notification system. This subdivision does not apply until the department of state police is a participant in the FBI automatic notification system. As used in this subdivision:

(i) "Automatic notification system" means a system that stores and retains fingerprints, and that provides for an automatic notification to a participant if and when a fingerprint is submitted into the system that matches an individual whose fingerprints are retained in the system or if and when the criminal history of an individual whose fingerprints are retained in the system is updated.

(ii) "FBI automatic notification system" means the automatic notification system that is maintained by the Federal Bureau of Investigation.

(8) The board shall review all applications for licenses and shall inform each applicant of the board's decision.

(9) A license shall be issued for a 1-year period and is renewable annually. Except as otherwise provided in this act, the board shall renew a license if all of the following requirements are met:

(a) The licensee applies to the board on a renewal form provided by the board that requires information prescribed in rules.

(b) The application is received by the board on or before the expiration date of the current license.

(c) The licensee pays the regulatory assessment under section 603.

(d) The licensee meets the requirements of this act and any other renewal requirements set forth in rules.

(10) The department shall notify the licensee by mail or electronic mail at the last known address on file with the board advising of the time, procedure, and regulatory assessment under section 603. The failure of the licensee to receive notice under this subsection does not relieve the licensee of the responsibility for renewing the license.

(11) If a license renewal application is not submitted by the license expiration date, the license may be renewed within 60 days after its expiration date upon application, payment of the regulatory assessment under section 603, and satisfaction of any renewal requirement and late fee set forth in rules. The licensee may continue to operate during the 60 days after the license expiration date if the license is renewed by the end of the 60-day period.

(12) License expiration does not terminate the board's authority to impose sanctions on a licensee whose license has expired.

(13) In its decision on an application for renewal, the board shall consider any specific written input it receives from an individual or entity within the local unit of government in which the applicant for renewal is located.

(14) A licensee must consent in writing to inspections, examinations, searches, and seizures that are permitted under this act and must provide a handwriting exemplar, fingerprints, photographs, and information as authorized in this act or by rules.

(15) An applicant or licensee has a continuing duty to provide information requested by the board and to cooperate in any investigation, inquiry, or hearing conducted by the board.

History: 2016, Act 281, Eff. Dec. 20, 2016;—Am. 2017, Act 105, Imd. Eff. July 13, 2017;—Am. 2018, Act 582, Eff. Jan. 1, 2019.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

For transfer of powers and duties of the medical marihuana licensing board, marihuana advisory panel, and department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the medical marihuana licensing board, marihuana advisory panel, and bureau of marijuana regulation, see ERO No. 2019-2, compiled at MCL 333.27001.

333.27403 Application deficiency; correction.

Sec. 403. If the board identifies a deficiency in an application, the board shall provide the applicant with a reasonable period of time to correct the deficiency.

History: 2016, Act 281, Eff. Dec. 20, 2016.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

For transfer of powers and duties of the medical marihuana licensing board, marihuana advisory panel, and department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the medical marihuana licensing board, marihuana advisory panel, and bureau of marijuana regulation, see ERO No. 2019-2, compiled at MCL 333.27001.

333.27404 Repealed. 2018, Act 582, Eff. Jan. 1, 2019.

Compiler's note: The repealed section pertained to a true party of interest.

333.27405 Background check.

Sec. 405. Subject to the laws of this state, before hiring a prospective employee, the holder of a license shall conduct a background check of the prospective employee. If the background check indicates a pending charge or conviction within the past 10 years for a controlled substance-related felony, a licensee shall not hire the prospective employee without written permission of the board.

History: 2016, Act 281, Eff. Dec. 20, 2016.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

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333.27406 Transfer, sale, or purchase of license.

Sec. 406. Each license is exclusive to the licensee, and a licensee or any other person must apply for and receive the board's approval before a license is transferred, sold, or purchased. The attempted transfer, sale, or other conveyance of an interest in a license without prior board approval is grounds for suspension or revocation of the license or for other sanction considered appropriate by the board, but only if the transfer, sale, or other conveyance would result in the transferee meeting the definition of applicant.

History: 2016, Act 281, Eff. Dec. 20, 2016;—Am. 2018, Act 582, Eff. Jan. 1, 2019.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

For transfer of powers and duties of the medical marihuana licensing board, marihuana advisory panel, and department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the medical marihuana licensing board, marihuana advisory panel, and bureau of marijuana regulation, see ERO No. 2019-2, compiled at MCL 333.27001.

333.27407 Denial, suspension, revocation, or restriction of license.

Sec. 407. (1) If an applicant or licensee fails to comply with this act or rules, if a licensee fails to comply with the marihuana tracking act, if a licensee no longer meets the eligibility requirements for a license under this act, or if an applicant or licensee fails to provide information the board requests to assist in any investigation, inquiry, or board hearing, the board may deny, suspend, revoke, or restrict a license. The board may suspend, revoke, or restrict a license and require the removal of a licensee or an employee of a licensee for a violation of this act, rules, the marihuana tracking act, or any ordinance adopted under section 205. The board may impose civil fines of up to \$5,000.00 against an individual and up to \$10,000.00 or an amount equal to the daily gross receipts, whichever is greater, against a licensee for each violation of this act, rules, or an order of the board. Assessment of a civil fine under this subsection is not a bar to the investigation, arrest, charging, or prosecution of an individual for any other violation of this act and is not grounds to suppress evidence in any criminal prosecution that arises under this act or any other law of this state.

(2) The board shall comply with the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, when denying, revoking, suspending, or restricting a license or imposing a fine. The board may suspend a license without notice or hearing upon a determination that the safety or health of patrons or

employees is jeopardized by continuing a marihuana facility's operation. If the board suspends a license under this subsection without notice or hearing, a prompt postsuspension hearing must be held to determine if the suspension should remain in effect. The suspension may remain in effect until the board determines that the cause for suspension has been abated. The board may revoke the license or approve a transfer or sale of the license upon a determination that the licensee has not made satisfactory progress toward abating the hazard.

(3) After denying an application for a license, the board shall, upon request, provide a public investigative hearing at which the applicant is given the opportunity to present testimony and evidence to establish its suitability for a license. Other testimony and evidence may be presented at the hearing, but the board's decision must be based on the whole record before the board and is not limited to testimony and evidence submitted at the public investigative hearing.

(4) Except for license applicants who may be granted a hearing at the discretion of the board under subsection (3), any party aggrieved by an action of the board suspending, revoking, restricting, or refusing to renew a license, or imposing a fine, shall be given a hearing before the board upon request. A request for a hearing must be made to the board in writing within 21 days after service of notice of the action of the board. Notice of the action of the board must be served either by personal delivery or by certified mail, postage prepaid, to the aggrieved party. Notice served by certified mail is considered complete on the business day following the date of the mailing.

(5) The board may conduct investigative and contested case hearings; issue subpoenas for the attendance of witnesses; issue subpoenas duces tecum for the production of books, ledgers, records, memoranda, electronically retrievable data, and other pertinent documents; and administer oaths and affirmations to witnesses as appropriate to exercise and discharge the powers and duties of the board under this act. The director of the department or his or her designee may issue subpoenas and administer oaths and affirmations to witnesses.

History: 2016, Act 281, Eff. Dec. 20, 2016;—Am. 2018, Act 582, Eff. Jan. 1, 2019.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

For transfer of powers and duties of the medical marihuana licensing board, marihuana advisory panel, and department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the medical marihuana licensing board, marihuana advisory panel, and bureau of marijuana regulation, see ERO No. 2019-2, compiled at MCL 333.27001.

333.27407a Operation of marihuana facility; license required; violation; penalties.

Sec. 407a. Beginning June 1, 2019, a person shall not hold itself out as operating a marihuana facility if the person does not hold a license to operate that marihuana facility or if the person's license to operate that marihuana facility is suspended, revoked, lapsed, or void, or was fraudulently obtained or transferred to the person other than pursuant to section 406. A person that violates this section is guilty as follows:

(a) In the case of a first violation, a misdemeanor punishable by a fine of not less than \$10,000.00 or more than \$25,000.00 or imprisonment of not more than 93 days, or both.

(b) In the case of a second or subsequent violation, a misdemeanor punishable by a fine of not less than \$10,000.00 or more than \$25,000.00 or imprisonment of not more than 1 year, or both.

(c) If the violation causes death or serious injury, a felony punishable by a fine of not less than \$10,000.00 or more than \$25,000.00 or imprisonment for not more than 4 years, or both.

History: Add. 2018, Act 582, Eff. Jan. 1, 2019.

Compiler's note: For transfer of powers and duties of the medical marihuana licensing board, marihuana advisory panel, and department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the medical marihuana licensing board, marihuana advisory panel, and bureau of marijuana regulation, see ERO No. 2019-2, compiled at MCL 333.27001.

333.27408 Proof of financial responsibility.

Sec. 408. (1) Before the board grants or renews any license under this act, the licensee or applicant shall file with the department proof of financial responsibility for liability for bodily injury to lawful users resulting from the manufacture, distribution, transportation, or sale of adulterated marihuana or adulterated marihuana-infused product in an amount not less than \$100,000.00. The proof of financial responsibility may be in the form of cash, unencumbered securities, a liability insurance policy, or a constant value bond executed by a surety company authorized to do business in this state. As used in this section:

(a) "Adulterated marihuana" means a product sold as marihuana that contains any unintended substance or chemical or biological matter other than marihuana that causes adverse reaction after ingestion or consumption.

(b) "Bodily injury" does not include expected or intended effect or long-term adverse effect of smoking, ingestion, or consumption of marihuana or marihuana-infused product.

(2) An insured licensee shall not cancel liability insurance required under this section unless the licensee complies with both of the following:

(a) Gives 30 days' prior written notice to the department.

(b) Procures new proof of financial responsibility required under this section and delivers that proof to the department within 30 days after giving the department the notice under subdivision (a).

History: 2016, Act 281, Eff. Dec. 20, 2016.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

For transfer of powers and duties of the medical marihuana licensing board, marihuana advisory panel, and department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the medical marihuana licensing board, marihuana advisory panel, and bureau of marijuana regulation, see ERO No. 2019-2, compiled at MCL 333.27001.

333.27409 State operating license as revocable privilege.

Sec. 409. A state operating license is a revocable privilege granted by this state and is not a property right. Granting a license does not create or vest any right, title, franchise, or other property interest. A licensee or any other person shall not lease, pledge, or borrow or loan money against a license.

History: 2016, Act 281, Eff. Dec. 20, 2016;—Am. 2018, Act 582, Eff. Jan. 1, 2019.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

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PART 5. LICENSEES

333.27501 Grower license.

Sec. 501. (1) A grower license authorizes the grower to grow not more than the following number of marihuana plants under the indicated license class for each license the grower holds in that class:

- (a) Class A – 500 marihuana plants.
- (b) Class B – 1,000 marihuana plants.
- (c) Class C – 1,500 marihuana plants.

(2) Except as otherwise provided in this subsection, a grower license authorizes sale of marihuana plants to a grower only by means of a secure transporter. A grower license authorizes the sale or transfer of seeds, seedlings, or tissue cultures to a grower from a registered primary caregiver or another grower without using a secure transporter.

(3) A grower license authorizes a grower to transfer marihuana without using a secure transporter to a processor or provisioning center if both of the following are met:

(a) The processor or provisioning center occupies the same location as the grower and the marihuana is transferred using only private real property without accessing public roadways.

(b) The grower enters each transfer into the statewide monitoring system.

(4) A grower license authorizes sale of marihuana, other than seeds, seedlings, tissue cultures, and cuttings, to a processor or provisioning center.

(5) Except as otherwise provided in subsections (2) and (3) and section 505, a grower license authorizes the grower to transfer marihuana only by means of a secure transporter.

(6) To be eligible for a grower license, the applicant and each investor in the grower must not have an interest in a secure transporter or safety compliance facility.

(7) Until December 31, 2018, for a period of 30 days after the issuance of a grower license and in accord with rules, a grower may transfer any of the following that are lawfully possessed by an individual formerly registered as a primary caregiver who is an active employee of the grower:

(a) Marihuana plants.

(b) Seeds.

(c) Seedlings.

(8) A grower shall comply with all of the following:

(a) Until December 31, 2021, have, or have as an active employee an individual who has, a minimum of 2 years' experience as a registered primary caregiver.

(b) While holding a license as a grower, not be a registered primary caregiver and not employ an individual who is simultaneously a registered primary caregiver.

(c) Enter all transactions, current inventory, and other information into the statewide monitoring system as required in this act, rules, and the marihuana tracking act.

(9) A grower license does not authorize the grower to operate in an area unless the area is zoned for industrial or agricultural uses or is unzoned and otherwise meets the requirements established in section 205(1).

History: 2016, Act 281, Eff. Dec. 20, 2016;—Am. 2018, Act 10, Imd. Eff. Jan. 26, 2018.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

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333.27502 Processor license; exception for industrial hemp.

Sec. 502. (1) A processor license authorizes purchase of marihuana only from a grower and sale of marihuana-infused products or marihuana only to a provisioning center or another processor.

(2) Except as otherwise provided in section 505 and this subsection, a processor license authorizes the processor to transfer marihuana only by means of a secure transporter. A processor license authorizes a processor to transfer marihuana without using a secure transporter to a grower or provisioning center if both of the following are met:

(a) The grower or provisioning center occupies the same location as the processor and the marihuana is transferred using only private real property without accessing public roadways.

(b) The processor enters each transfer into the statewide monitoring system.

(3) To be eligible for a processor license, the applicant and each investor in the processor must not have an interest in a secure transporter or safety compliance facility.

(4) Until December 31, 2018, for a period of 30 days after the issuance of a processor license and in accord with rules, a processor may transfer any of the following that are lawfully possessed by an individual formerly registered as a primary caregiver who is an active employee of the processor:

(a) Marihuana plants.

(b) Usable marihuana.

(5) A processor shall comply with all of the following:

(a) Until December 31, 2021, have, or have as an active employee an individual who has, a minimum of 2 years' experience as a registered primary caregiver.

(b) While holding a license as a processor, not be a registered primary caregiver and not employ an individual who is simultaneously a registered primary caregiver.

(c) Enter all transactions, current inventory, and other information into the statewide monitoring system as required in this act, rules, and the marihuana tracking act.

(6) This act does not prohibit a processor from handling, processing, marketing, or brokering, as those terms are defined in section 2 of the industrial hemp research and development act, MCL 286.842, industrial hemp.

History: 2016, Act 281, Eff. Dec. 20, 2016;—Am. 2018, Act 10, Imd. Eff. Jan. 26, 2018;—Am. 2018, Act 648, Eff. Mar. 28, 2019.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

For transfer of powers and duties of the medical marihuana licensing board, marihuana advisory panel, and department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the medical marihuana licensing board, marihuana advisory panel, and bureau of marijuana regulation, see ERO No. 2019-2, compiled at MCL 333.27001.

333.27503 Secure transporter license.

Sec. 503. (1) A secure transporter license authorizes the licensee to store and transport marihuana and money associated with the purchase or sale of marihuana between marihuana facilities for a fee upon request of a person with legal custody of that marihuana or money. It does not authorize transport to a registered

qualifying patient or registered primary caregiver. If a secure transporter has its primary place of business in a municipality that has adopted an ordinance under section 205 authorizing that marihuana facility, the secure transporter may travel through any municipality.

(2) To be eligible for a secure transporter license, the applicant and each investor with an interest in the secure transporter must not have an interest in a grower, processor, provisioning center, or safety compliance facility and must not be a registered qualifying patient or a registered primary caregiver.

(3) A secure transporter shall enter all transactions, current inventory, and other information into the statewide monitoring system as required in this act, rules, and the marihuana tracking act.

(4) A secure transporter shall comply with all of the following:

(a) Each driver transporting marihuana must have a chauffeur's license issued by this state.

(b) Each employee who has custody of marihuana or money that is related to a marihuana transaction shall not have been convicted of or released from incarceration for a felony under the laws of this state, any other state, or the United States within the past 5 years or have been convicted of a misdemeanor involving a controlled substance within the past 5 years.

(c) Each vehicle must be operated with a 2-person crew with at least 1 individual remaining with the vehicle at all times during the transportation of marihuana.

(d) A route plan and manifest must be entered into the statewide monitoring system, and a copy must be carried in the transporting vehicle and presented to a law enforcement officer upon request.

(e) The marihuana must be transported in 1 or more sealed containers and not be accessible while in transit.

(f) A secure transporting vehicle must not bear markings or other indication that it is carrying marihuana or a marihuana-infused product.

(5) A secure transporter is subject to administrative inspection by a law enforcement officer at any point during the transportation of marihuana to determine compliance with this act.

History: 2016, Act 281, Eff. Dec. 20, 2016;—Am. 2018, Act 10, Imd. Eff. Jan. 26, 2018.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

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333.27504 Provisioning center license.

Sec. 504. (1) A provisioning center license authorizes the purchase or transfer of marihuana only from a grower or processor and sale or transfer to only a registered qualifying patient or registered primary caregiver. Except as otherwise provided in section 505 and this subsection, all transfers of marihuana to a provisioning center from a separate marihuana facility must be by means of a secure transporter. A transfer of marihuana to a provisioning center from a marihuana facility that occupies the same location as the provisioning center does not require a secure transporter if the marihuana is transferred to the provisioning center using only private real property without accessing public roadways.

(2) A provisioning center license authorizes the provisioning center to transfer marihuana to or from a safety compliance facility for testing by means of a secure transporter or as provided in section 505.

(3) To be eligible for a provisioning center license, the applicant and each investor in the provisioning center must not have an interest in a secure transporter or safety compliance facility.

(4) A provisioning center shall comply with all of the following:

(a) Sell or transfer marihuana to a registered qualifying patient or registered primary caregiver only after it has been tested and bears the label required for retail sale.

(b) Enter all transactions, current inventory, and other information into the statewide monitoring system as required in this act, rules, and the marihuana tracking act.

(c) Before selling or transferring marihuana to a registered qualifying patient or to a registered primary caregiver on behalf of a registered qualifying patient, inquire of the statewide monitoring system to determine whether the patient and, if applicable, the caregiver hold a valid, current, unexpired, and unrevoked registry identification card and that the sale or transfer will not exceed the daily and monthly purchasing limit established by the medical marihuana licensing board under this act.

(d) Not allow the sale, consumption, or use of alcohol or tobacco products on the premises.

(e) Not allow a physician to conduct a medical examination or issue a medical certification document on the premises for the purpose of obtaining a registry identification card.

History: 2016, Act 281, Eff. Dec. 20, 2016;—Am. 2018, Act 10, Imd. Eff. Jan. 26, 2018.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

For transfer of powers and duties of the medical marihuana licensing board, marihuana advisory panel, and department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the medical marihuana licensing board, marihuana advisory panel, and bureau of marijuana regulation, see ERO No. 2019-2, compiled at MCL 333.27001.

333.27505 Safety compliance facility license; exception for industrial hemp.

Sec. 505. (1) In addition to transfer and testing authorized in section 203, a safety compliance facility license authorizes the safety compliance facility to do all of the following without using a secure transporter:

(a) Take marihuana from, test marihuana for, and return marihuana to only a marihuana facility.

(b) Collect a random sample of marihuana at the marihuana facility of a grower, processor, or provisioning center for testing.

(2) A safety compliance facility must be accredited by an entity approved by the board by 1 year after the date the license is issued or have previously provided drug testing services to this state or this state's court system and be a vendor in good standing in regard to those services. The board may grant a variance from this requirement upon a finding that the variance is necessary to protect and preserve the public health, safety, or welfare.

(3) To be eligible for a safety compliance facility license, the applicant and each investor with any interest in the safety compliance facility must not have an interest in a grower, secure transporter, processor, or provisioning center.

(4) A safety compliance facility shall comply with all of the following:

(a) Perform tests to certify that marihuana is reasonably free of chemical residues such as fungicides and insecticides.

(b) Use validated test methods to determine tetrahydrocannabinol, tetrahydrocannabinol acid, cannabidiol, and cannabidiol acid levels.

(c) Perform tests that determine whether marihuana complies with the standards the board establishes for microbial and mycotoxin contents.

(d) Perform other tests necessary to determine compliance with any other good manufacturing practices as prescribed in rules.

(e) Enter all transactions, current inventory, and other information into the statewide monitoring system as required in this act, rules, and the marihuana tracking act.

(f) Have a secured laboratory space that cannot be accessed by the general public.

(g) Retain and employ at least 1 staff member with a relevant advanced degree in a medical or laboratory science.

(5) This act does not prohibit a safety compliance facility from taking or receiving industrial hemp for testing purposes and testing the industrial hemp pursuant to the industrial hemp research and development act.

History: 2016, Act 281, Eff. Dec. 20, 2016;—Am. 2018, Act 10, Imd. Eff. Jan. 26, 2018;—Am. 2018, Act 648, Eff. Mar. 28, 2019.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

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PART 6. TAXES AND FEES

333.27601 Provisioning center; imposition of tax; rate; administration.

Sec. 601. (1) A tax is imposed on each provisioning center at the rate of 3% of the provisioning center's gross retail receipts. By 30 days after the end of the calendar quarter, a provisioning center shall remit the tax for the preceding calendar quarter to the department of treasury accompanied by a form prescribed by the department of treasury that shows the gross quarterly retail income of the provisioning center and the amount of tax due, and shall submit a copy of the form to the department. If a law authorizing the recreational or nonmedical use of marihuana in this state is enacted, this section does not apply beginning 90 days after the effective date of that law.

(2) The taxes imposed under this section shall be administered by the department of treasury in accordance

with 1941 PA 122, MCL 205.1 to 205.31, and this act. In case of conflict between the provisions of 1941 PA 122, MCL 205.1 to 205.31, and this act, the provisions of this act prevail.

History: 2016, Act 281, Eff. Dec. 20, 2016.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

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333.27602 Medical marihuana excise fund.

Sec. 602. (1) The medical marihuana excise fund is created in the state treasury.

(2) Except for the application fee under section 401, the regulatory assessment under section 603, and any local fees, all money collected under section 601 and all other fees, fines, and charges, imposed under this act must be deposited in the medical marihuana excise fund. The state treasurer shall direct the investment of the fund. The state treasurer shall credit to the fund interest and earnings from fund investments.

(3) Money in the medical marihuana excise fund at the close of the fiscal year remains in the fund and does not lapse to the general fund.

(4) The state treasurer is the administrator of the medical marihuana excise fund for auditing purposes.

(5) The money in the medical marihuana excise fund must be allocated, upon appropriation, as follows:

(a) 25% to municipalities in which a marihuana facility is located, allocated in proportion to the number of marihuana facilities within the municipality.

(b) 30% to counties in which a marihuana facility is located, allocated in proportion to the number of marihuana facilities within the county.

(c) 5% to counties in which a marihuana facility is located, allocated in proportion to the number of marihuana facilities within the county. Money allocated under this subdivision must be used exclusively to support the county sheriffs and must be in addition to and not in replacement of any other funding received by the county sheriffs.

(d) 30% to this state for the following:

(i) Until September 30, 2017, for deposit in the general fund of the state treasury.

(ii) Beginning October 1, 2017, for deposit in the first responder presumed coverage fund created in section 405 of the worker's disability compensation act of 1969, 1969 PA 317, MCL 418.405.

(e) 5% to the Michigan commission on law enforcement standards for training local law enforcement officers.

(f) 5% to the department of state police.

History: 2016, Act 281, Eff. Dec. 20, 2016;—Am. 2018, Act 10, Imd. Eff. Jan. 26, 2018.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

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333.27603 Regulatory assessment.

Sec. 603. (1) A regulatory assessment is imposed on certain licensees as provided in this section. All of the following shall be included in establishing the total amount of the regulatory assessment established under this section:

(a) The department's costs to implement, administer, and enforce this act, except for the costs to process and investigate applications for licenses supported with the application fee described in section 401.

(b) Expenses of medical-marihuana-related legal services provided to the department by the department of attorney general.

(c) Expenses of medical-marihuana-related services provided to the department by the department of state police.

(d) Expenses of medical-marihuana-related services provided by the department of treasury.

(e) \$500,000.00 to be allocated to the department for expenditures of the department for licensing substance use disorder programs.

(f) An amount equal to 5% of the sum of the amounts provided for under subdivisions (a) to (d) to be allocated to the department of health and human services for substance-abuse-related expenditures including, but not limited to, substance use disorder prevention, education, and treatment programs.

(g) Expenses related to the standardized field sobriety tests administered in enforcing the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923.

(h) An amount sufficient to provide for the administrative costs of the Michigan commission on law enforcement standards.

(2) The regulatory assessment is in addition to the application fee described in section 401, the tax described in section 601, and any local licensing fees.

(3) The regulatory assessment shall be collected annually from licensed growers, processors, provisioning centers, and secure transporters. The regulatory assessment for a class A grower license shall not exceed \$10,000.00.

(4) Beginning in the first year marihuana facilities are authorized to operate in this state, and annually thereafter, the department, in consultation with the board, shall establish the total regulatory assessment at an amount that is estimated to be sufficient to cover the actual costs and support the expenditures listed in subsection (1).

(5) On or before the date the licensee begins operating and annually thereafter, each grower, processor, provisioning center, and secure transporter shall pay to the state treasurer an amount determined by the department to reasonably reflect the licensee's share of the total regulatory assessment established under subsection (4).

History: 2016, Act 281, Eff. Dec. 20, 2016.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

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333.27604 Marihuana regulatory fund.

Sec. 604. (1) The marihuana regulatory fund is created within the state treasury.

(2) The application fee collected under section 401 and the regulatory assessment collected under section 603 must be deposited into the marihuana regulatory fund. The state treasurer shall direct the investment of the fund. The state treasurer shall credit to the fund interest and earnings from fund investments.

(3) Except as otherwise provided in this section, money in the marihuana regulatory fund at the close of the fiscal year must remain in the fund and must not lapse to the general fund.

(4) The marijuana regulatory agency is the administrator of the marihuana regulatory fund for auditing purposes.

(5) Except as provided in section 603(1)(d) and (e), the department shall expend money from the marihuana regulatory fund, upon appropriation, only for implementing, administering, and enforcing this act.

(6) For the fiscal year ending September 30, 2020 only, \$17,000,000.00 of the money in the marihuana regulatory fund is transferred to and must be deposited into the general fund.

(7) As used in this section, "marijuana regulatory agency" means the marijuana regulatory agency created under Executive Reorganization Order No. 2019-2, MCL 333.27001.

History: 2016, Act 281, Eff. Dec. 20, 2016;—Am. 2020, Act 170, Imd. Eff. Oct. 1, 2020.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

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333.27605 Use of money from Michigan marihuana registry fund.

Sec. 605. The department may use any money appropriated to it from the marihuana registry fund created in section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426, for the purpose of funding the operations of the department and the board in the initial implementation and subsequent administration and enforcement of this act.

History: 2016, Act 281, Eff. Dec. 20, 2016.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

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PART 7. REPORTS

333.27701 Financial statements.

Sec. 701. By 30 days after the end of each state fiscal year, each licensee shall transmit to the board and to the municipality financial statements of the licensee's total operations. The financial statements shall be reviewed by a certified public accountant in a manner and form prescribed by the board. The certified public accountant must be licensed in this state under article 7 of the occupational code, 1980 PA 299, MCL 339.720 to 339.736. The compensation for the certified public accountant shall be paid directly by the licensee to the certified public accountant.

History: 2016, Act 281, Eff. Dec. 20, 2016.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

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333.27702 Report.

Sec. 702. The board shall submit with the annual report to the governor under section 302(I) and to the chairs of the legislative committees that govern issues related to marihuana facilities a report covering the previous year. The report shall include an account of the board actions, its financial position, results of operation under this act, and any recommendations for legislation that the board considers advisable.

History: 2016, Act 281, Eff. Dec. 20, 2016;—Am. 2018, Act 582, Eff. Jan. 1, 2019.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

For transfer of powers and duties of the medical marihuana licensing board, marihuana advisory panel, and department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the medical marihuana licensing board, marihuana advisory panel, and bureau of marijuana regulation, see ERO No. 2019-2, compiled at MCL 333.27001.

PART 8. MARIHUANA ADVISORY PANEL

333.27801 Marihuana advisory panel.

Sec. 801. (1) The marihuana advisory panel is created within the department.

(2) The marihuana advisory panel consists of 17 members, including the director of state police or his or her designee, the director of this state's department of health and human services or his or her designee, the director of the department or his or her designee, the attorney general or his or her designee, the director of the department of agriculture and rural development or his or her designee, and the following members appointed by the governor:

- (a) One registered medical marihuana patient or medical marihuana primary caregiver.
- (b) One representative of the industry from the growers category.
- (c) One representative of the industry from the processors category.
- (d) One representative of the industry from the provisioning centers category.
- (e) One representative of the industry from the safety compliance facilities category.
- (f) One representative of townships.
- (g) One representative of cities and villages.
- (h) One representative of counties.
- (i) One representative of sheriffs.
- (j) One representative of local police.

(k) One physician licensed under article 15 of the public health code, 1978 PA 368, MCL 333.16101 to 333.18838.

(l) One representative of the industry from the secure transporter category.

(3) The governor shall appoint the first members of the panel by March 1, 2018. The members appointed to the panel shall serve at the pleasure of the governor and shall serve for terms of 3 years or until a successor is appointed, whichever is later.

(4) If a vacancy occurs on the advisory panel, the governor shall make an appointment for the unexpired term in the same manner as the original appointment.

(5) The director of the department or his or her designee shall call the first meeting of the panel within 1 month after the advisory panel is appointed. At the first meeting, the panel shall elect from among its members a chairperson and any other officers it considers necessary or appropriate. After the first meeting, the panel shall meet at least 2 times each year, or more frequently at the call of the chairperson.

(6) A majority of the members of the panel constitute a quorum for the transaction of business. A majority of the members present and serving are required for official action of the panel.

(7) The business that the panel performs must be conducted at a public meeting held in compliance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(8) A writing prepared, owned, used, in the possession of, or retained by the panel in the performance of an official function is subject to the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(9) Members of the panel shall serve without compensation. However, members of the panel may be reimbursed for their actual and necessary expenses incurred in the performance of their official duties as members of the panel.

(10) The panel may make recommendations to the board concerning promulgation of rules and, as requested by the board or the department, the administration, implementation, and enforcement of this act and the marihuana tracking act.

(11) State departments and agencies shall cooperate with the panel and, upon request, provide it with meeting space and other necessary resources to assist it in the performance of its duties.

History: 2016, Act 281, Eff. Dec. 20, 2016;—Am. 2018, Act 10, Imd. Eff. Jan. 26, 2018.

Compiler's note: Enacting section 2 of Act 281 of 2016 provides:

"Enacting section 2. The legislature finds that the necessity for access to safe sources of marihuana for medical use and the immediate need for growers, processors, secure transporters, provisioning centers, and safety compliance facilities to operate under clear requirements establish the need to promulgate emergency rules to preserve the public health, safety, or welfare."

For transfer of powers and duties of the medical marihuana licensing board, marihuana advisory panel, and department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the medical marihuana licensing board, marihuana advisory panel, and bureau of marijuana regulation, see ERO No. 2019-2, compiled at MCL 333.27001.

MARIHUANA TRACKING ACT

Act 282 of 2016

AN ACT to establish a statewide monitoring system to track marihuana and marihuana products in commercial trade; to monitor compliance with laws authorizing commercial traffic in medical marihuana; to identify threats to health from particular batches of marihuana or medical marihuana; to require persons engaged in commercial marihuana trade to submit certain information for entry into the system; to provide the powers and duties of certain state departments and agencies; to provide for remedies; and to provide for the promulgation of rules.

History: 2016, Act 282, Eff. Dec. 20, 2016.

Compiler's note: For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

The People of the State of Michigan enact:

333.27901 Short title.

Sec. 1. This act shall be known and may be cited as the "marihuana tracking act".

History: 2016, Act 282, Eff. Dec. 20, 2016.

Compiler's note: For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.27902 Definitions.

Sec. 2. As used in this act:

(a) "Department" means the department of licensing and regulatory affairs.

(b) "Financial institution" means that term as defined in section 201 of the medical marihuana facilities licensing act, MCL 333.27201.

(c) "Licensee" means that term as defined in section 102 of the medical marihuana facilities licensing act, MCL 333.27102.

(d) "Marihuana" means that term as defined in section 7106 of the public health code, 1978 PA 368, MCL 333.7106.

(e) "Medical marihuana facilities licensing act" means the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801.

(f) "Registered primary caregiver" means that term as defined in section 102 of the medical marihuana facilities licensing act, MCL 333.27102.

(g) "Registered qualifying patient" means that term as defined in section 102 of the medical marihuana facilities licensing act, MCL 333.27102.

(h) "Registry identification card" means that term as defined in section 3 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26423.

(i) "Statewide monitoring system" or "system" means an internet-based, statewide database established, implemented, and maintained directly or indirectly by the department that is available to licensees, law enforcement agencies, and authorized state departments and agencies on a 24-hour basis for all of the following:

(i) Verifying registry identification cards.

(ii) Tracking marihuana transfer and transportation by licensees, including transferee, date, quantity, and price.

(iii) Verifying in a commercially reasonable time that a transfer will not exceed the limit that the registered qualifying patient or registered primary caregiver is authorized to receive under section 4 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26424.

History: 2016, Act 282, Eff. Dec. 20, 2016;—Am. 2018, Act 439, Eff. Mar. 21, 2019.

Compiler's note: For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.27903 Statewide monitoring system; use as integrated marihuana tracking, inventory, and verification system; requirements; rules; bids; violation; termination of contract.

Sec. 3. (1) The department shall establish a statewide monitoring system for use as an integrated marihuana tracking, inventory, and verification system. The system must allow for interface with third-party inventory

and tracking systems as described in section 207 of the medical marihuana facilities licensing act to provide for access by this state, licensees, and law enforcement personnel, to the extent that they need and are authorized to receive or submit the information, to comply with, enforce, or administer this act; the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430; or the medical marihuana facilities licensing act.

(2) At a minimum, the system must be capable of storing and providing access to information that, in conjunction with 1 or more third-party inventory control and tracking systems under section 207 of the medical marihuana facilities licensing act, allows all of the following:

(a) Verification that a registry identification card is current and valid and has not been suspended, revoked, or denied.

(b) Retention of a record of the date, time, quantity, and price of each sale or transfer of marihuana to a registered qualifying patient or registered primary caregiver.

(c) Determination of whether a particular sale or transfer transaction will exceed the permissible limit established under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430.

(d) Effective monitoring of marihuana seed-to-sale transfers.

(e) Receipt and integration of information from third-party inventory control and tracking systems under section 207 of the medical marihuana facilities licensing act.

(3) The department shall promulgate rules to govern the process for incorporating information concerning registry identification card renewal, revocation, suspension, and changes and other information applicable to licensees, registered primary caregivers, and registered qualifying patients that must be included and maintained in the statewide monitoring system.

(4) The department shall seek bids to establish, operate, and maintain the statewide monitoring system under this section. The department shall do all of the following:

(a) Evaluate bidders based on the cost of the service and the ability to meet all of the requirements of this act; the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430; and the medical marihuana facilities licensing act.

(b) Give strong consideration to the bidder's ability to prevent fraud, abuse, and other unlawful or prohibited activities associated with the commercial trade in marihuana in this state, and the ability to provide additional tools for the administration and enforcement of this act; the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430; and the medical marihuana facilities licensing act.

(c) Institute procedures to ensure that the contract awardee does not disclose or use the information in the system for any use or purpose except for the enforcement, oversight, and implementation of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430, or the medical marihuana facilities licensing act.

(d) Require the contract awardee to deliver the functioning system by 180 days after award of the contract.

(5) The department may terminate a contract with a contract awardee under this act for a violation of this act. A contract awardee may be debarred from award of other state contracts under this act for a violation of this act.

History: 2016, Act 282, Eff. Dec. 20, 2016.

Compiler's note: For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.27904 Confidentiality; exemption from disclosure; exceptions.

Sec. 4. (1) The information in the system is confidential and is exempt from disclosure under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246. Information in the system may be disclosed pursuant to subsection (2) or for purposes of enforcing this act; the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430; and the medical marihuana facilities licensing act.

(2) A licensee may, in writing, authorize the department to disclose the licensee's information in the system described in section 3(2)(a) to (c) to a financial institution identified in the authorization. Upon receiving written authorization under this subsection, the department shall disclose the licensee's information described in section 3(2)(a) to (c) to a financial institution identified in the authorization.

History: 2016, Act 282, Eff. Dec. 20, 2016;—Am. 2018, Act 439, Eff. Mar. 21, 2019.

Compiler's note: For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

MICHIGAN MEDICAL MARIHUANA ACT

Initiated Law 1 of 2008

AN INITIATION of Legislation to allow under state law the medical use of marihuana; to provide protections for the medical use of marihuana; to provide for a system of registry identification cards for qualifying patients and primary caregivers; to impose a fee for registry application and renewal; to make an appropriation; to provide for the promulgation of rules; to provide for the administration of this act; to provide for enforcement of this act; to provide for affirmative defenses; and to provide for penalties for violations of this act.

History: 2008, Initiated Law 1, Eff. Dec. 4, 2008;—Am. 2016, Act 283, Eff. Dec. 20, 2016.

Compiler's note: For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

The People of the State of Michigan enact:

333.26421 Short title.

1. Short Title.

Sec. 1. This act shall be known and may be cited as the Michigan Medical Marihuana Act.

History: 2008, Initiated Law 1, Eff. Dec. 4, 2008.

Compiler's note: MCL 333.26430 of Initiated Law 1 of 2008 provides:

10. Severability.

Sec. 10. Any section of this act being held invalid as to any person or circumstances shall not affect the application of any other section of this act that can be given full effect without the invalid section or application.

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.26422 Findings, declaration.

2. Findings.

Sec. 2. The people of the State of Michigan find and declare that:

(a) Modern medical research, including as found by the National Academy of Sciences' Institute of Medicine in a March 1999 report, has discovered beneficial uses for marihuana in treating or alleviating the pain, nausea, and other symptoms associated with a variety of debilitating medical conditions.

(b) Data from the Federal Bureau of Investigation Uniform Crime Reports and the Compendium of Federal Justice Statistics show that approximately 99 out of every 100 marihuana arrests in the United States are made under state law, rather than under federal law. Consequently, changing state law will have the practical effect of protecting from arrest the vast majority of seriously ill people who have a medical need to use marihuana.

(c) Although federal law currently prohibits any use of marihuana except under very limited circumstances, states are not required to enforce federal law or prosecute people for engaging in activities prohibited by federal law. The laws of Alaska, California, Colorado, Hawaii, Maine, Montana, Nevada, New Mexico, Oregon, Vermont, Rhode Island, and Washington do not penalize the medical use and cultivation of marihuana. Michigan joins in this effort for the health and welfare of its citizens.

History: 2008, Initiated Law 1, Eff. Dec. 4, 2008.

Compiler's note: MCL 333.26430 of Initiated Law 1 of 2008 provides:

10. Severability.

Sec. 10. Any section of this act being held invalid as to any person or circumstances shall not affect the application of any other section of this act that can be given full effect without the invalid section or application.

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.26423 Definitions.

3. Definitions.

Sec. 3. As used in this act:

(a) "Bona fide physician-patient relationship" means a treatment or counseling relationship between a physician and patient in which all of the following are present:

(1) The physician has reviewed the patient's relevant medical records and completed a full assessment of the patient's medical history and current medical condition, including a relevant, in-person, medical evaluation of the patient.

(2) The physician has created and maintained records of the patient's condition in accord with medically accepted standards.

(3) The physician has a reasonable expectation that he or she will provide follow-up care to the patient to monitor the efficacy of the use of medical marihuana as a treatment of the patient's debilitating medical condition.

(4) If the patient has given permission, the physician has notified the patient's primary care physician of the patient's debilitating medical condition and certification for the medical use of marihuana to treat that condition.

(b) "Debilitating medical condition" means 1 or more of the following:

(1) Cancer, glaucoma, positive status for human immunodeficiency virus, acquired immune deficiency syndrome, hepatitis C, amyotrophic lateral sclerosis, Crohn's disease, agitation of Alzheimer's disease, nail patella, or the treatment of these conditions.

(2) A chronic or debilitating disease or medical condition or its treatment that produces 1 or more of the following: cachexia or wasting syndrome; severe and chronic pain; severe nausea; seizures, including but not limited to those characteristic of epilepsy; or severe and persistent muscle spasms, including but not limited to those characteristic of multiple sclerosis.

(3) Any other medical condition or its treatment approved by the department, as provided for in section 6(k).

(c) "Department" means the department of licensing and regulatory affairs.

(d) "Enclosed, locked facility" means a closet, room, or other comparable, stationary, and fully enclosed area equipped with secured locks or other functioning security devices that permit access only by a registered primary caregiver or registered qualifying patient. Marihuana plants grown outdoors are considered to be in an enclosed, locked facility if they are not visible to the unaided eye from an adjacent property when viewed by an individual at ground level or from a permanent structure and are grown within a stationary structure that is enclosed on all sides, except for the base, by chain-link fencing, wooden slats, or a similar material that prevents access by the general public and that is anchored, attached, or affixed to the ground; located on land that is owned, leased, or rented by either the registered qualifying patient or a person designated through the departmental registration process as the primary caregiver for the registered qualifying patient or patients for whom the marihuana plants are grown; and equipped with functioning locks or other security devices that restrict access to only the registered qualifying patient or the registered primary caregiver who owns, leases, or rents the property on which the structure is located. Enclosed, locked facility includes a motor vehicle if both of the following conditions are met:

(1) The vehicle is being used temporarily to transport living marihuana plants from 1 location to another with the intent to permanently retain those plants at the second location.

(2) An individual is not inside the vehicle unless he or she is either the registered qualifying patient to whom the living marihuana plants belong or the individual designated through the departmental registration process as the primary caregiver for the registered qualifying patient.

(e) "Marihuana" means that term as defined in section 7106 of the public health code, 1978 PA 368, MCL 333.7106.

(f) "Marihuana-infused product" means a topical formulation, tincture, beverage, edible substance, or similar product containing any usable marihuana that is intended for human consumption in a manner other than smoke inhalation. Marihuana-infused product shall not be considered a food for purposes of the food law, 2000 PA 92, MCL 289.1101 to 289.8111.

(g) "Marihuana plant" means any plant of the species *Cannabis sativa* L.

(h) "Medical use of marihuana" means the acquisition, possession, cultivation, manufacture, extraction, use, internal possession, delivery, transfer, or transportation of marihuana, marihuana-infused products, or paraphernalia relating to the administration of marihuana to treat or alleviate a registered qualifying patient's debilitating medical condition or symptoms associated with the debilitating medical condition.

(i) "Physician" means an individual licensed as a physician under part 170 of the public health code, 1978 PA 368, MCL 333.17001 to 333.17084, or an osteopathic physician under part 175 of the public health code, 1978 PA 368, MCL 333.17501 to 333.17556.

(j) "Plant" means any living organism that produces its own food through photosynthesis and has observable root formation or is in growth material.

(k) "Primary caregiver" or "caregiver" means a person who is at least 21 years old and who has agreed to assist with a patient's medical use of marihuana and who has not been convicted of any felony within the past 10 years and has never been convicted of a felony involving illegal drugs or a felony that is an assaultive crime as defined in section 9a of chapter X of the code of criminal procedure, 1927 PA 175, MCL 770.9a.

(l) "Qualifying patient" or "patient" means a person who has been diagnosed by a physician as having a

debilitating medical condition.

(m) "Registry identification card" means a document issued by the department that identifies a person as a registered qualifying patient or registered primary caregiver.

(n) "Usable marihuana" means the dried leaves, flowers, plant resin, or extract of the marihuana plant, but does not include the seeds, stalks, and roots of the plant.

(o) "Usable marihuana equivalent" means the amount of usable marihuana in a marihuana-infused product that is calculated as provided in section 4(c).

(p) "Visiting qualifying patient" means a patient who is not a resident of this state or who has been a resident of this state for less than 30 days.

(q) "Written certification" means a document signed by a physician, stating all of the following:

(1) The patient's debilitating medical condition.

(2) The physician has completed a full assessment of the patient's medical history and current medical condition, including a relevant, in-person, medical evaluation.

(3) In the physician's professional opinion, the patient is likely to receive therapeutic or palliative benefit from the medical use of marihuana to treat or alleviate the patient's debilitating medical condition or symptoms associated with the debilitating medical condition.

History: 2008, Initiated Law 1, Eff. Dec. 4, 2008;—Am. 2012, Act 512, Eff. Apr. 1, 2013;—Am. 2016, Act 283, Eff. Dec. 20, 2016.

Compiler's note: MCL 333.26430 of Initiated Law 1 of 2008 provides:

10. Severability.

Sec. 10. Any section of this act being held invalid as to any person or circumstances shall not affect the application of any other section of this act that can be given full effect without the invalid section or application.

Enacting section 2 of Act 283 of 2016 provides:

"Enacting section 2. This amendatory act clarifies ambiguities in the law in accordance with the original intent of the people, as expressed in section 2(b) of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26422:

"(b) Data from the Federal Bureau of Investigation Uniform Crime Reports and the Compendium of Federal Justice Statistics show that approximately 99 out of every 100 marihuana arrests in the United States are made under state law, rather than under federal law. *Consequently, changing state law will have the practical effect of protecting from arrest the vast majority of seriously ill people who have a medical need to use marihuana.*". [Emphasis added.]

This amendatory act is curative and applies retroactively as to the following: clarifying the quantities and forms of marihuana for which a person is protected from arrest, precluding an interpretation of "weight" as aggregate weight, and excluding an added inactive substrate component of a preparation in determining the amount of marihuana, medical marihuana, or usable marihuana that constitutes an offense. Retroactive application of this amendatory act does not create a cause of action against a law enforcement officer or any other state or local governmental officer, employee, department, or agency that enforced this act under a good-faith interpretation of its provisions at the time of enforcement."

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.26424 Qualifying patient or primary caregiver; arrest, prosecution, or penalty prohibited; conditions; privilege from arrests; presumption; compensation; physician subject to arrest, prosecution, or penalty prohibited; marihuana paraphernalia; person in presence or vicinity of medical use of marihuana; registry identification card issued outside of department; sale of marihuana as felony; penalty; marihuana-infused product.

4. Protections for the Medical Use of Marihuana.

Sec. 4. (a) A qualifying patient who has been issued and possesses a registry identification card is not subject to arrest, prosecution, or penalty in any manner, or denied any right or privilege, including, but not limited to, civil penalty or disciplinary action by a business or occupational or professional licensing board or bureau, for the medical use of marihuana in accordance with this act, provided that the qualifying patient possesses an amount of marihuana that does not exceed a combined total of 2.5 ounces of usable marihuana and usable marihuana equivalents, and, if the qualifying patient has not specified that a primary caregiver will be allowed under state law to cultivate marihuana for the qualifying patient, 12 marihuana plants kept in an enclosed, locked facility. Any incidental amount of seeds, stalks, and unusable roots shall also be allowed under state law and shall not be included in this amount. The privilege from arrest under this subsection applies only if the qualifying patient presents both his or her registry identification card and a valid driver license or government-issued identification card that bears a photographic image of the qualifying patient.

(b) A primary caregiver who has been issued and possesses a registry identification card is not subject to arrest, prosecution, or penalty in any manner, or denied any right or privilege, including but not limited to civil penalty or disciplinary action by a business or occupational or professional licensing board or bureau, for assisting a qualifying patient to whom he or she is connected through the department's registration process with the medical use of marihuana in accordance with this act. The privilege from arrest under this subsection applies only if the primary caregiver presents both his or her registry identification card and a valid driver

license or government-issued identification card that bears a photographic image of the primary caregiver. This subsection applies only if the primary caregiver possesses marihuana in forms and amounts that do not exceed any of the following:

(1) For each qualifying patient to whom he or she is connected through the department's registration process, a combined total of 2.5 ounces of usable marihuana and usable marihuana equivalents.

(2) For each registered qualifying patient who has specified that the primary caregiver will be allowed under state law to cultivate marihuana for the qualifying patient, 12 marihuana plants kept in an enclosed, locked facility.

(3) Any incidental amount of seeds, stalks, and unusable roots.

(c) For purposes of determining usable marihuana equivalency, the following shall be considered equivalent to 1 ounce of usable marihuana:

(1) 16 ounces of marihuana-infused product if in a solid form.

(2) 7 grams of marihuana-infused product if in a gaseous form.

(3) 36 fluid ounces of marihuana-infused product if in a liquid form.

(d) A person shall not be denied custody or visitation of a minor for acting in accordance with this act, unless the person's behavior is such that it creates an unreasonable danger to the minor that can be clearly articulated and substantiated.

(e) There is a presumption that a qualifying patient or primary caregiver is engaged in the medical use of marihuana in accordance with this act if the qualifying patient or primary caregiver complies with both of the following:

(1) Is in possession of a registry identification card.

(2) Is in possession of an amount of marihuana that does not exceed the amount allowed under this act. The presumption may be rebutted by evidence that conduct related to marihuana was not for the purpose of alleviating the qualifying patient's debilitating medical condition or symptoms associated with the debilitating medical condition, in accordance with this act.

(f) A registered primary caregiver may receive compensation for costs associated with assisting a registered qualifying patient in the medical use of marihuana. Any such compensation does not constitute the sale of controlled substances.

(g) A physician shall not be subject to arrest, prosecution, or penalty in any manner, or denied any right or privilege, including but not limited to civil penalty or disciplinary action by the Michigan board of medicine, the Michigan board of osteopathic medicine and surgery, or any other business or occupational or professional licensing board or bureau, solely for providing written certifications, in the course of a bona fide physician-patient relationship and after the physician has completed a full assessment of the qualifying patient's medical history, or for otherwise stating that, in the physician's professional opinion, a patient is likely to receive therapeutic or palliative benefit from the medical use of marihuana to treat or alleviate the patient's serious or debilitating medical condition or symptoms associated with the serious or debilitating medical condition, provided that nothing shall prevent a professional licensing board from sanctioning a physician for failing to properly evaluate a patient's medical condition or otherwise violating the standard of care for evaluating medical conditions.

(h) A person shall not be subject to arrest, prosecution, or penalty in any manner, or denied any right or privilege, including but not limited to civil penalty or disciplinary action by a business or occupational or professional licensing board or bureau, for providing a registered qualifying patient or a registered primary caregiver with marihuana paraphernalia for purposes of a qualifying patient's medical use of marihuana.

(i) Any marihuana, marihuana paraphernalia, or licit property that is possessed, owned, or used in connection with the medical use of marihuana, as allowed under this act, or acts incidental to such use, shall not be seized or forfeited.

(j) A person shall not be subject to arrest, prosecution, or penalty in any manner, or denied any right or privilege, including but not limited to civil penalty or disciplinary action by a business or occupational or professional licensing board or bureau, solely for being in the presence or vicinity of the medical use of marihuana in accordance with this act, or for assisting a registered qualifying patient with using or administering marihuana.

(k) A registry identification card, or its equivalent, that is issued under the laws of another state, district, territory, commonwealth, or insular possession of the United States that allows the medical use of marihuana by a visiting qualifying patient, or to allow a person to assist with a visiting qualifying patient's medical use of marihuana, shall have the same force and effect as a registry identification card issued by the department.

(l) Any registered qualifying patient or registered primary caregiver who sells marihuana to someone who is not allowed the medical use of marihuana under this act shall have his or her registry identification card revoked and is guilty of a felony punishable by imprisonment for not more than 2 years or a fine of not more

than \$2,000.00, or both, in addition to any other penalties for the distribution of marihuana.

(m) A person shall not be subject to arrest, prosecution, or penalty in any manner or denied any right or privilege, including, but not limited to, civil penalty or disciplinary action by a business or occupational or professional licensing board or bureau, for manufacturing a marihuana-infused product if the person is any of the following:

(1) A registered qualifying patient, manufacturing for his or her own personal use.

(2) A registered primary caregiver, manufacturing for the use of a patient to whom he or she is connected through the department's registration process.

(n) A qualifying patient shall not transfer a marihuana-infused product or marihuana to any individual.

(o) A primary caregiver shall not transfer a marihuana-infused product to any individual who is not a qualifying patient to whom he or she is connected through the department's registration process.

History: 2008, Initiated Law 1, Eff. Dec. 4, 2008;—Am. 2012, Act 512, Eff. Apr. 1, 2013;—Am. 2016, Act 283, Eff. Dec. 20, 2016.

Compiler's note: MCL 333.26430 of Initiated Law 1 of 2008 provides:

10. Severability.

Sec. 10. Any section of this act being held invalid as to any person or circumstances shall not affect the application of any other section of this act that can be given full effect without the invalid section or application.

Enacting section 2 of Act 283 of 2016 provides:

"Enacting section 2. This amendatory act clarifies ambiguities in the law in accordance with the original intent of the people, as expressed in section 2(b) of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26422:

"(b) Data from the Federal Bureau of Investigation Uniform Crime Reports and the Compendium of Federal Justice Statistics show that approximately 99 out of every 100 marihuana arrests in the United States are made under state law, rather than under federal law. *Consequently, changing state law will have the practical effect of protecting from arrest the vast majority of seriously ill people who have a medical need to use marihuana.*" [Emphasis added.]

This amendatory act is curative and applies retroactively as to the following: clarifying the quantities and forms of marihuana for which a person is protected from arrest, precluding an interpretation of "weight" as aggregate weight, and excluding an added inactive substrate component of a preparation in determining the amount of marihuana, medical marihuana, or usable marihuana that constitutes an offense. Retroactive application of this amendatory act does not create a cause of action against a law enforcement officer or any other state or local governmental officer, employee, department, or agency that enforced this act under a good-faith interpretation of its provisions at the time of enforcement."

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.26424a Registered qualifying patient or registered primary caregiver; arrest, prosecution, or penalty, or denial of right or privilege prohibited; conditions.

Sec. 4a. (1) This section does not apply unless the medical marihuana facilities licensing act is enacted.

(2) A registered qualifying patient or registered primary caregiver shall not be subject to arrest, prosecution, or penalty in any manner, or denied any right or privilege, including, but not limited to, civil penalty or disciplinary action by a business or occupational or professional licensing board or bureau, for any of the following:

(a) Transferring or purchasing marihuana in an amount authorized by this act from a provisioning center licensed under the medical marihuana facilities licensing act.

(b) Transferring or selling marihuana seeds or seedlings to a grower licensed under the medical marihuana facilities licensing act.

(c) Transferring marihuana for testing to and from a safety compliance facility licensed under the medical marihuana facilities licensing act.

History: Add. 2016, Act 283, Eff. Dec. 20, 2016.

Compiler's note: Enacting section 2 of Act 283 of 2016 provides:

"Enacting section 2. This amendatory act clarifies ambiguities in the law in accordance with the original intent of the people, as expressed in section 2(b) of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26422:

"(b) Data from the Federal Bureau of Investigation Uniform Crime Reports and the Compendium of Federal Justice Statistics show that approximately 99 out of every 100 marihuana arrests in the United States are made under state law, rather than under federal law. *Consequently, changing state law will have the practical effect of protecting from arrest the vast majority of seriously ill people who have a medical need to use marihuana.*" [Emphasis added.]

This amendatory act is curative and applies retroactively as to the following: clarifying the quantities and forms of marihuana for which a person is protected from arrest, precluding an interpretation of "weight" as aggregate weight, and excluding an added inactive substrate component of a preparation in determining the amount of marihuana, medical marihuana, or usable marihuana that constitutes an offense. Retroactive application of this amendatory act does not create a cause of action against a law enforcement officer or any other state or local governmental officer, employee, department, or agency that enforced this act under a good-faith interpretation of its provisions at the time of enforcement."

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.26424b Transporting or possessing marihuana-infused product; violation; fine.

Sec. 4b. (1) Except as provided in subsections (2) to (4), a qualifying patient or primary caregiver shall not transport or possess a marihuana-infused product in or upon a motor vehicle.

(2) This section does not prohibit a qualifying patient from transporting or possessing a marihuana-infused product in or upon a motor vehicle if the marihuana-infused product is in a sealed and labeled package that is carried in the trunk of the vehicle or, if the vehicle does not have a trunk, is carried so as not to be readily accessible from the interior of the vehicle. The label must state the weight of the marihuana-infused product in ounces, name of the manufacturer, date of manufacture, name of the person from whom the marihuana-infused product was received, and date of receipt.

(3) This section does not prohibit a primary caregiver from transporting or possessing a marihuana-infused product in or upon a motor vehicle if the marihuana-infused product is accompanied by an accurate marihuana transportation manifest and enclosed in a case carried in the trunk of the vehicle or, if the vehicle does not have a trunk, is enclosed in a case and carried so as not to be readily accessible from the interior of the vehicle. The manifest form must state the weight of each marihuana-infused product in ounces, name and address of the manufacturer, date of manufacture, destination name and address, date and time of departure, estimated date and time of arrival, and, if applicable, name and address of the person from whom the product was received and date of receipt.

(4) This section does not prohibit a primary caregiver from transporting or possessing a marihuana-infused product in or upon a motor vehicle for the use of his or her child, spouse, or parent who is a qualifying patient if the marihuana-infused product is in a sealed and labeled package that is carried in the trunk of the vehicle or, if the vehicle does not have a trunk, is carried so as not to be readily accessible from the interior of the vehicle. The label must state the weight of the marihuana-infused product in ounces, name of the manufacturer, date of manufacture, name of the qualifying patient, and, if applicable, name of the person from whom the marihuana-infused product was received and date of receipt.

(5) For purposes of determining compliance with quantity limitations under section 4, there is a rebuttable presumption that the weight of a marihuana-infused product listed on its package label or on a marihuana transportation manifest is accurate.

(6) A qualifying patient or primary caregiver who violates this section is responsible for a civil fine of not more than \$250.00.

History: Add. 2016, Act 283, Eff. Dec. 20, 2016.

Compiler's note: Enacting section 2 of Act 283 of 2016 provides:

"Enacting section 2. This amendatory act clarifies ambiguities in the law in accordance with the original intent of the people, as expressed in section 2(b) of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26422:

"(b) Data from the Federal Bureau of Investigation Uniform Crime Reports and the Compendium of Federal Justice Statistics show that approximately 99 out of every 100 marihuana arrests in the United States are made under state law, rather than under federal law. Consequently, changing state law will have the practical effect of protecting from arrest the vast majority of seriously ill people who have a medical need to use marihuana." [Emphasis added.]

This amendatory act is curative and applies retroactively as to the following: clarifying the quantities and forms of marihuana for which a person is protected from arrest, precluding an interpretation of "weight" as aggregate weight, and excluding an added inactive substrate component of a preparation in determining the amount of marihuana, medical marihuana, or usable marihuana that constitutes an offense. Retroactive application of this amendatory act does not create a cause of action against a law enforcement officer or any other state or local governmental officer, employee, department, or agency that enforced this act under a good-faith interpretation of its provisions at the time of enforcement."

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.26425 Rules.

5. Department to Promulgate Rules.

Sec. 5. (a) Not later than 120 days after the effective date of this act, the department shall promulgate rules pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, that govern the manner in which the department shall consider the addition of medical conditions or treatments to the list of debilitating medical conditions set forth in section 3(a) of this act. In promulgating rules, the department shall allow for petition by the public to include additional medical conditions and treatments. In considering such petitions, the department shall include public notice of, and an opportunity to comment in a public hearing upon, such petitions. The department shall, after hearing, approve or deny such petitions within 180 days of the submission of the petition. The approval or denial of such a petition shall be considered a final department action, subject to judicial review pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328. Jurisdiction and venue for judicial review are vested in the circuit court for the county of Ingham.

(b) Not later than 120 days after the effective date of this act, the department shall promulgate rules

pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, that govern the manner in which it shall consider applications for and renewals of registry identification cards for qualifying patients and primary caregivers. The department's rules shall establish application and renewal fees that generate revenues sufficient to offset all expenses of implementing and administering this act. The department may establish a sliding scale of application and renewal fees based upon a qualifying patient's family income. The department may accept gifts, grants, and other donations from private sources in order to reduce the application and renewal fees.

History: 2008, Initiated Law 1, Eff. Dec. 4, 2008.

Compiler's note: MCL 333.26430 of Initiated Law 1 of 2008 provides:

10. Severability.

Sec. 10. Any section of this act being held invalid as to any person or circumstances shall not affect the application of any other section of this act that can be given full effect without the invalid section or application.

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.26426 Administration and enforcement of rules by marijuana regulatory agency; transfer of funds.

6. Administering the Marijuana Regulatory Agency's Rules.

Sec. 6. (a) The marijuana regulatory agency shall issue registry identification cards to qualifying patients who submit all of the following, in accordance with the marijuana regulatory agency's rules:

(1) A written certification.

(2) Application or renewal fee.

(3) Name, address, and date of birth of the qualifying patient, except that if the applicant is homeless, no address is required.

(4) Name, address, and telephone number of the qualifying patient's physician.

(5) Name, address, and date of birth of the qualifying patient's primary caregiver, if any.

(6) Proof of Michigan residency. For the purposes of this subdivision, a person is considered to have proved legal residency in this state if any of the following apply:

(i) The person provides a copy of a valid, lawfully obtained Michigan driver license issued under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923, or an official state personal identification card issued under 1972 PA 222, MCL 28.291 to 28.300.

(ii) The person provides a copy of a valid Michigan voter registration.

(7) If the qualifying patient designates a primary caregiver, a designation as to whether the qualifying patient or primary caregiver will be allowed under state law to possess marihuana plants for the qualifying patient's medical use.

(b) The marijuana regulatory agency shall not issue a registry identification card to a qualifying patient who is under the age of 18 unless all of the following conditions are met:

(1) The qualifying patient's physician has explained the potential risks and benefits of the medical use of marihuana to the qualifying patient and to his or her parent or legal guardian.

(2) The qualifying patient's parent or legal guardian submits a written certification from 2 physicians.

(3) The qualifying patient's parent or legal guardian consents in writing to do all of the following:

(A) Allow the qualifying patient's medical use of marihuana.

(B) Serve as the qualifying patient's primary caregiver.

(C) Control the acquisition of the marihuana, the dosage, and the frequency of the medical use of marihuana by the qualifying patient.

(c) The marijuana regulatory agency shall verify the information contained in an application or renewal submitted pursuant to this section, and shall approve or deny an application or renewal within 15 business days after receiving it. The marijuana regulatory agency may deny an application or renewal only if the applicant did not provide the information required pursuant to this section, or if the marijuana regulatory agency determines that the information provided was falsified. Rejection of an application or renewal is considered a final marijuana regulatory agency action, subject to judicial review. Jurisdiction and venue for judicial review are vested in the circuit court for the county of Ingham.

(d) The marijuana regulatory agency shall issue a registry identification card to the primary caregiver, if any, who is named in a qualifying patient's approved application. However, each qualifying patient can have not more than 1 primary caregiver, and a primary caregiver may assist not more than 5 qualifying patients with their medical use of marihuana.

(e) The marijuana regulatory agency shall issue registry identification cards within 5 business days after approving an application or renewal. A registry identification card expires 2 years after the date it is issued.

Registry identification cards must contain all of the following:

- (1) Name, address, and date of birth of the qualifying patient.
- (2) Name, address, and date of birth of the primary caregiver, if any, of the qualifying patient.
- (3) The date of issuance and expiration date of the registry identification card.
- (4) A random identification number.
- (5) A photograph, if the marijuana regulatory agency requires one by rule.
- (6) A clear designation showing whether the primary caregiver or the qualifying patient will be allowed under state law to possess the marihuana plants for the qualifying patient's medical use, which shall be determined based solely on the qualifying patient's preference.

(f) If a registered qualifying patient's certifying physician notifies the marijuana regulatory agency in writing that the patient has ceased to suffer from a debilitating medical condition, the card becomes null and void upon notification by the marijuana regulatory agency to the patient.

(g) Possession of, or application for, a registry identification card shall not constitute probable cause or reasonable suspicion, nor shall it be used to support the search of the person or property of the person possessing or applying for the registry identification card, or otherwise subject the person or property of the person to inspection by any local, county, or state governmental agency.

(h) The following confidentiality rules apply:

(1) Subject to subdivisions (3) and (4), applications and supporting information submitted by qualifying patients, including information regarding their primary caregivers and physicians, are confidential.

(2) The marijuana regulatory agency shall maintain a confidential list of the persons to whom the marijuana regulatory agency has issued registry identification cards. Except as provided in subdivisions (3) and (4), individual names and other identifying information on the list are confidential and are exempt from disclosure under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(3) The marijuana regulatory agency shall verify to law enforcement personnel and to the necessary database created in the marihuana tracking act as established by the medical marihuana facilities licensing act whether a registry identification card is valid, without disclosing more information than is reasonably necessary to verify the authenticity of the registry identification card.

(4) A person, including an employee, contractor, or official of the marijuana regulatory agency or another state agency or local unit of government, who discloses confidential information in violation of this act is guilty of a misdemeanor punishable by imprisonment for not more than 6 months or a fine of not more than \$1,000.00, or both. Notwithstanding this provision, marijuana regulatory agency employees may notify law enforcement about falsified or fraudulent information submitted to the marijuana regulatory agency.

(i) The marijuana regulatory agency shall submit to the legislature an annual report that does not disclose any identifying information about qualifying patients, primary caregivers, or physicians, but does contain, at a minimum, all of the following information:

- (1) The number of applications filed for registry identification cards.
- (2) The number of qualifying patients and primary caregivers approved in each county.
- (3) The nature of the debilitating medical conditions of the qualifying patients.
- (4) The number of registry identification cards revoked.
- (5) The number of physicians providing written certifications for qualifying patients.

(j) The marijuana regulatory agency may enter into a contract with a private contractor to assist the marijuana regulatory agency in performing its duties under this section. The contract may provide for assistance in processing and issuing registry identification cards, but the marijuana regulatory agency shall retain the authority to make the final determination as to issuing the registry identification card. Any contract must include a provision requiring the contractor to preserve the confidentiality of information in conformity with subsection (h).

(k) Not later than 6 months after April 1, 2013, the marijuana regulatory agency shall appoint a panel to review petitions to approve medical conditions or treatments for addition to the list of debilitating medical conditions under the rules. The panel shall meet at least twice each year and shall review and make a recommendation to the marijuana regulatory agency concerning any petitions that have been submitted that are completed and include any documentation required by rule. All of the following apply to the panel:

(1) A majority of the panel members must be licensed physicians, and the panel shall provide recommendations to the marijuana regulatory agency regarding whether the petitions should be approved or denied.

(2) All meetings of the panel are subject to the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(l) The marihuana registry fund is created within the state treasury. All fees collected under this act shall be deposited into the fund. The state treasurer may receive money or other assets from any source for deposit into the fund. The state treasurer shall direct the investment of the fund. The state treasurer shall credit to the

fund interest and earnings from fund investments. Money in the fund at the close of the fiscal year must remain in the fund and must not lapse to the general fund. The marijuana regulatory agency shall be the administrator of the fund for auditing purposes. The marijuana regulatory agency shall expend money from the fund, upon appropriation, for the operation and oversight of the Michigan medical marihuana program. For the fiscal year ending September 30, 2016, \$8,500,000.00 is appropriated from the marihuana registry fund to the department for its initial costs of implementing the medical marihuana facilities licensing act and the marihuana tracking act. For the fiscal year ending September 30, 2021, \$24,000,000.00 of the money in the marihuana registry fund is transferred to and must be deposited into the Michigan set aside fund created under section 1i of 1965 PA 213, MCL 780.621i.

(m) As used in this section, "marijuana regulatory agency" means the marijuana regulatory agency created under Executive Reorganization Order No. 2019-2, MCL 333.27001.

History: 2008, Initiated Law 1, Eff. Dec. 4, 2008;—Am. 2012, Act 514, Eff. Apr. 1, 2013;—Am. 2016, Act 283, Eff. Dec. 20, 2016;—Am. 2020, Act 400, Imd. Eff. Jan. 4, 2021.

Compiler's note: MCL 333.26430 of Initiated Law 1 of 2008 provides:

10. Severability.

Sec. 10. Any section of this act being held invalid as to any person or circumstances shall not affect the application of any other section of this act that can be given full effect without the invalid section or application.

Enacting section 2 of Act 283 of 2016 provides:

"Enacting section 2. This amendatory act clarifies ambiguities in the law in accordance with the original intent of the people, as expressed in section 2(b) of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26422:

"(b) Data from the Federal Bureau of Investigation Uniform Crime Reports and the Compendium of Federal Justice Statistics show that approximately 99 out of every 100 marihuana arrests in the United States are made under state law, rather than under federal law. *Consequently, changing state law will have the practical effect of protecting from arrest the vast majority of seriously ill people who have a medical need to use marihuana.*". [Emphasis added.]

This amendatory act is curative and applies retroactively as to the following: clarifying the quantities and forms of marihuana for which a person is protected from arrest, precluding an interpretation of "weight" as aggregate weight, and excluding an added inactive substrate component of a preparation in determining the amount of marihuana, medical marihuana, or usable marihuana that constitutes an offense. Retroactive application of this amendatory act does not create a cause of action against a law enforcement officer or any other state or local governmental officer, employee, department, or agency that enforced this act under a good-faith interpretation of its provisions at the time of enforcement."

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.26427 Scope of act; limitations.

7. Scope of Act.

Sec. 7. (a) The medical use of marihuana is allowed under state law to the extent that it is carried out in accordance with the provisions of this act.

(b) This act does not permit any person to do any of the following:

(1) Undertake any task under the influence of marihuana, when doing so would constitute negligence or professional malpractice.

(2) Possess marihuana, or otherwise engage in the medical use of marihuana at any of the following locations:

(A) In a school bus.

(B) On the grounds of any preschool or primary or secondary school.

(C) In any correctional facility.

(3) Smoke marihuana at any of the following locations:

(A) On any form of public transportation.

(B) In any public place.

(4) Operate, navigate, or be in actual physical control of any motor vehicle, aircraft, snowmobile, off-road recreational vehicle, or motorboat while under the influence of marihuana.

(5) Use marihuana if that person does not have a serious or debilitating medical condition.

(6) Separate plant resin from a marihuana plant by butane extraction in any public place or motor vehicle, or inside or within the curtilage of any residential structure.

(7) Separate plant resin from a marihuana plant by butane extraction in a manner that demonstrates a failure to exercise reasonable care or reckless disregard for the safety of others.

(c) Nothing in this act shall be construed to require any of the following:

(1) A government medical assistance program or commercial or non-profit health insurer to reimburse a person for costs associated with the medical use of marihuana.

(2) An employer to accommodate the ingestion of marihuana in any workplace or any employee working while under the influence of marihuana.

(3) A private property owner to lease residential property to any person who smokes or cultivates marihuana on the premises, if the prohibition against smoking or cultivating marihuana is in the written lease.

(d) Fraudulent representation to a law enforcement official of any fact or circumstance relating to the medical use of marihuana to avoid arrest or prosecution is punishable by a fine of \$500.00, which is in addition to any other penalties that may apply for making a false statement or for the use of marihuana other than use undertaken pursuant to this act.

(e) All other acts and parts of acts inconsistent with this act do not apply to the medical use of marihuana as provided for by this act.

History: 2008, Initiated Law 1, Eff. Dec. 4, 2008;—Am. 2016, Act 283, Eff. Dec. 20, 2016;—Am. 2016, Act 546, Eff. Apr. 10, 2017.

Compiler's note: MCL 333.26430 of Initiated Law 1 of 2008 provides:

10. Severability.

Sec. 10. Any section of this act being held invalid as to any person or circumstances shall not affect the application of any other section of this act that can be given full effect without the invalid section or application.

Enacting section 2 of Act 283 of 2016 provides:

"Enacting section 2. This amendatory act clarifies ambiguities in the law in accordance with the original intent of the people, as expressed in section 2(b) of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26422:

"(b) Data from the Federal Bureau of Investigation Uniform Crime Reports and the Compendium of Federal Justice Statistics show that approximately 99 out of every 100 marihuana arrests in the United States are made under state law, rather than under federal law. *Consequently, changing state law will have the practical effect of protecting from arrest the vast majority of seriously ill people who have a medical need to use marihuana.*". [Emphasis added.]

This amendatory act is curative and applies retroactively as to the following: clarifying the quantities and forms of marihuana for which a person is protected from arrest, precluding an interpretation of "weight" as aggregate weight, and excluding an added inactive substrate component of a preparation in determining the amount of marihuana, medical marihuana, or usable marihuana that constitutes an offense. Retroactive application of this amendatory act does not create a cause of action against a law enforcement officer or any other state or local governmental officer, employee, department, or agency that enforced this act under a good-faith interpretation of its provisions at the time of enforcement."

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.26428 Defenses.

8. Affirmative Defense and Dismissal for Medical Marihuana.

Sec. 8. (a) Except as provided in section 7(b), a patient and a patient's primary caregiver, if any, may assert the medical purpose for using marihuana as a defense to any prosecution involving marihuana, and this defense shall be presumed valid where the evidence shows that:

(1) A physician has stated that, in the physician's professional opinion, after having completed a full assessment of the patient's medical history and current medical condition made in the course of a bona fide physician-patient relationship, the patient is likely to receive therapeutic or palliative benefit from the medical use of marihuana to treat or alleviate the patient's serious or debilitating medical condition or symptoms of the patient's serious or debilitating medical condition;

(2) The patient and the patient's primary caregiver, if any, were collectively in possession of a quantity of marihuana that was not more than was reasonably necessary to ensure the uninterrupted availability of marihuana for the purpose of treating or alleviating the patient's serious or debilitating medical condition or symptoms of the patient's serious or debilitating medical condition; and

(3) The patient and the patient's primary caregiver, if any, were engaged in the acquisition, possession, cultivation, manufacture, use, delivery, transfer, or transportation of marihuana or paraphernalia relating to the use of marihuana to treat or alleviate the patient's serious or debilitating medical condition or symptoms of the patient's serious or debilitating medical condition.

(b) A person may assert the medical purpose for using marihuana in a motion to dismiss, and the charges shall be dismissed following an evidentiary hearing where the person shows the elements listed in subsection (a).

(c) If a patient or a patient's primary caregiver demonstrates the patient's medical purpose for using marihuana pursuant to this section, the patient and the patient's primary caregiver shall not be subject to the following for the patient's medical use of marihuana:

(1) disciplinary action by a business or occupational or professional licensing board or bureau; or

(2) forfeiture of any interest in or right to property.

History: 2008, Initiated Law 1, Eff. Dec. 4, 2008;—Am. 2012, Act 512, Eff. Apr. 1, 2013.

Compiler's note: MCL 333.26430 of Initiated Law 1 of 2008 provides:

10. Severability.

Sec. 10. Any section of this act being held invalid as to any person or circumstances shall not affect the application of any other section of this act that can be given full effect without the invalid section or application.

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana

regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.26429 Failure of department to adopt rules or issue valid registry identification card.

9. Enforcement of this Act.

Sec. 9. (a) If the department fails to adopt rules to implement this act within 120 days of the effective date of this act, a qualifying patient may commence an action in the circuit court for the county of Ingham to compel the department to perform the actions mandated pursuant to the provisions of this act.

(b) If the department fails to issue a valid registry identification card in response to a valid application or renewal submitted pursuant to this act within 20 days of its submission, the registry identification card shall be deemed granted, and a copy of the registry identification application or renewal shall be deemed a valid registry identification card.

(c) If at any time after the 140 days following the effective date of this act the department is not accepting applications, including if it has not created rules allowing qualifying patients to submit applications, a notarized statement by a qualifying patient containing the information required in an application, pursuant to section 6(a)(3)-(6) together with a written certification, shall be deemed a valid registry identification card.

History: 2008, Initiated Law 1, Eff. Dec. 4, 2008.

Compiler's note: MCL 333.26430 of Initiated Law 1 of 2008 provides:

10. Severability.

Sec. 10. Any section of this act being held invalid as to any person or circumstances shall not affect the application of any other section of this act that can be given full effect without the invalid section or application.

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.26430 Severability.

10. Severability.

Sec. 10. Any section of this act being held invalid as to any person or circumstances shall not affect the application of any other section of this act that can be given full effect without the invalid section or application.

History: 2008, Initiated Law 1, Eff. Dec. 4, 2008.

Compiler's note: For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

MICHIGAN REGULATION AND TAXATION OF MARIHUANA ACT

Initiated Law 1 of 2018

An initiation of legislation to allow under state law the personal possession and use of marihuana by persons 21 years of age or older; to provide for the lawful cultivation and sale of marihuana and industrial hemp by persons 21 years of age or older; to permit the taxation of revenue derived from commercial marihuana facilities; to permit the promulgation of administrative rules; and to prescribe certain penalties for violations of this act. If not enacted by the Michigan State Legislature in accordance with the Michigan Constitution of 1963, the proposed legislation is to be voted on at the General Election, November 6, 2018.

History: 2018, Initiated Law 1, Eff. Dec. 6, 2018.

Compiler's note: This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

The People of the State of Michigan enact:

333.27951 Short title.

Sec. 1. This act shall be known and may be cited as the Michigan Regulation and Taxation of Marihuana Act.

History: 2018, Initiated Law 1, Eff. Dec. 6, 2018.

Compiler's note: This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.27952 Purpose and intent.

Sec. 2. The purpose of this act is to make marihuana legal under state and local law for adults 21 years of age or older, to make industrial hemp legal under state and local law, and to control the commercial production and distribution of marihuana under a system that licenses, regulates, and taxes the businesses involved. The intent is to prevent arrest and penalty for personal possession and cultivation of marihuana by adults 21 years of age or older; remove the commercial production and distribution of marihuana from the illicit market; prevent revenue generated from commerce in marihuana from going to criminal enterprises or gangs; prevent the distribution of marihuana to persons under 21 years of age; prevent the diversion of marihuana to illicit markets; ensure the safety of marihuana and marihuana-infused products; and ensure security of marihuana establishments. To the fullest extent possible, this act shall be interpreted in accordance with the purpose and intent set forth in this section.

History: 2018, Initiated Law 1, Eff. Dec. 6, 2018.

Compiler's note: This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.27953 Definitions.

Sec. 3. As used in this act:

(a) "Cultivate" means to propagate, breed, grow, harvest, dry, cure, or separate parts of the marihuana plant by manual or mechanical means.

(b) "Department" means the department of licensing and regulatory affairs.

(c) "Industrial hemp" means a plant of the genus *Cannabis* and any part of that plant, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of 0.3% or less on a dry-weight basis or per volume or weight of marihuana-infused product, or for which the combined percent of delta-9-tetrahydrocannabinol and tetrahydrocannabinolic acid in any part of the plant, regardless of moisture content, is 0.3% or less.

(d) "Licensee" means a person holding a state license.

(e) "Marihuana" means all parts of the plant of the genus *Cannabis*, growing or not; the seeds of the plant; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant or its seeds or resin, including marihuana concentrate and marihuana-infused products. Marihuana does not include any of the following:

(i) The mature stalks of the plant, fiber produced from the mature stalks, oil or cake made from the seeds of the plant, or any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks.

(ii) Industrial hemp.

(iii) Any other ingredient combined with marihuana to prepare topical or oral administrations, food, drink, or other products.

(f) "Marihuana accessories" means any equipment, product, material, or combination of equipment, products, or materials, that is specifically designed for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, containing, ingesting, inhaling, or otherwise introducing marihuana into the human body.

(g) "Marihuana concentrate" means the resin extracted from any part of the plant of the genus *Cannabis*.

(h) "Marihuana establishment" means a marihuana grower, marihuana safety compliance facility, marihuana processor, marihuana microbusiness, marihuana retailer, marihuana secure transporter, or any other type of marihuana-related business licensed by the marijuana regulatory agency.

(i) "Marihuana grower" means a person licensed to cultivate marihuana and sell or otherwise transfer marihuana to marihuana establishments.

(j) "Marihuana-infused product" means a topical formulation, tincture, beverage, edible substance, or similar product containing marihuana and other ingredients and that is intended for human consumption.

(k) "Marihuana microbusiness" means a person licensed to cultivate not more than 150 marihuana plants; process and package marihuana; and sell or otherwise transfer marihuana to individuals who are 21 years of age or older or to a marihuana safety compliance facility, but not to other marihuana establishments.

(l) "Marihuana processor" means a person licensed to obtain marihuana from marihuana establishments; process and package marihuana; and sell or otherwise transfer marihuana to marihuana establishments.

(m) "Marihuana retailer" means a person licensed to obtain marihuana from marihuana establishments and to sell or otherwise transfer marihuana to marihuana establishments and to individuals who are 21 years of age or older.

(n) "Marihuana secure transporter" means a person licensed to obtain marihuana from marihuana establishments in order to transport marihuana to marihuana establishments.

(o) "Marihuana safety compliance facility" means a person licensed to test marihuana, including certification for potency and the presence of contaminants.

(p) "Marijuana regulatory agency" means the marijuana regulatory agency created under Executive Reorganization Order No. 2019-2, MCL 333.27001.

(q) "Municipal license" means a license issued by a municipality pursuant to section 16 that allows a person to operate a marihuana establishment in that municipality.

(r) "Municipality" means a city, village, or township.

(s) "Person" means an individual, corporation, limited liability company, partnership of any type, trust, or other legal entity.

(t) "Process" or "processing" means to separate or otherwise prepare parts of the marihuana plant and to compound, blend, extract, infuse, or otherwise make or prepare marihuana concentrate or marihuana-infused products.

(u) "State license" means a license issued by the marijuana regulatory agency that allows a person to operate a marihuana establishment.

(v) "Unreasonably impracticable" means that the measures necessary to comply with the rules or ordinances adopted pursuant to this act subject licensees to unreasonable risk or require such a high investment of money, time, or any other resource or asset that a reasonably prudent businessperson would not operate the marihuana establishment.

History: 2018, Initiated Law 1, Eff. Dec. 6, 2018;—Am. 2020, Act 208, Imd. Eff. Oct. 15, 2020.

Compiler's note: This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled

333.27954 Scope of act; unauthorized activities with marihuana and marihuana accessories; limitations; application of privileges, rights, immunities, and defenses under other marihuana laws; employer rights; property owner rights.

Sec. 4. 1. This act does not authorize:

(a) operating, navigating, or being in physical control of any motor vehicle, aircraft, snowmobile, off-road recreational vehicle, or motorboat while under the influence of marihuana;

(b) transfer of marihuana or marihuana accessories to a person under the age of 21;

(c) any person under the age of 21 to possess, consume, purchase or otherwise obtain, cultivate, process, transport, or sell marihuana;

(d) separation of plant resin by butane extraction or another method that utilizes a substance with a flashpoint below 100 degrees Fahrenheit in any public place, motor vehicle, or within the curtilage of any residential structure;

(e) consuming marihuana in a public place or smoking marihuana where prohibited by the person who owns, occupies, or manages the property, except for purposes of this subdivision a public place does not include an area designated for consumption within a municipality that has authorized consumption in designated areas that are not accessible to persons under 21 years of age;

(f) cultivating marihuana plants if the plants are visible from a public place without the use of binoculars, aircraft, or other optical aids or outside of an enclosed area equipped with locks or other functioning security devices that restrict access to the area;

(g) consuming marihuana while operating, navigating, or being in physical control of any motor vehicle, aircraft, snowmobile, off-road recreational vehicle, or motorboat, or smoking marihuana within the passenger area of a vehicle upon a public way;

(h) possessing marihuana accessories or possessing or consuming marihuana on the grounds of a public or private school where children attend classes in preschool programs, kindergarten programs, or grades 1 through 12, in a school bus, or on the grounds of any correctional facility; or

(i) Possessing more than 2.5 ounces of marihuana within a person's place of residence unless the excess marihuana is stored in a container or area equipped with locks or other functioning security devices that restrict access to the contents of the container or area.

2. This act does not limit any privileges, rights, immunities, or defenses of a person as provided in the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430, the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801, or any other law of this state allowing for or regulating marihuana for medical use.

3. This act does not require an employer to permit or accommodate conduct otherwise allowed by this act in any workplace or on the employer's property. This act does not prohibit an employer from disciplining an employee for violation of a workplace drug policy or for working while under the influence of marihuana. This act does not prevent an employer from refusing to hire, discharging, disciplining, or otherwise taking an adverse employment action against a person with respect to hire, tenure, terms, conditions, or privileges of employment because of that person's violation of a workplace drug policy or because that person was working while under the influence of marihuana.

4. This act allows a person to prohibit or otherwise regulate the consumption, cultivation, distribution, processing, sale, or display of marihuana and marihuana accessories on property the person owns, occupies, or manages, except that a lease agreement may not prohibit a tenant from lawfully possessing and consuming marihuana by means other than smoking.

5. All other laws inconsistent with this act do not apply to conduct that is permitted by this act.

History: 2018, Initiated Law 1, Eff. Dec. 6, 2018.

Compiler's note: This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.27955 Lawful activities by person 21 years of age or older; terms, conditions, limitations, and restrictions; denial of custody or visitation prohibited.

Sec. 5. 1. Notwithstanding any other law or provision of this act, and except as otherwise provided in section 4 of this act, the following acts by a person 21 years of age or older are not unlawful, are not an

offense, are not grounds for seizing or forfeiting property, are not grounds for arrest, prosecution, or penalty in any manner, are not grounds for search or inspection, and are not grounds to deny any other right or privilege:

(a) except as permitted by subdivision (b), possessing, using or consuming, internally possessing, purchasing, transporting, or processing 2.5 ounces or less of marihuana, except that not more than 15 grams of marihuana may be in the form of marihuana concentrate;

(b) within the person's residence, possessing, storing, and processing not more than 10 ounces of marihuana and any marihuana produced by marihuana plants cultivated on the premises and cultivating not more than 12 marihuana plants for personal use, provided that no more than 12 marihuana plants are possessed, cultivated, or processed on the premises at once;

(c) assisting another person who is 21 years of age or older in any of the acts described in this section; and

(d) giving away or otherwise transferring without remuneration up to 2.5 ounces of marihuana, except that not more than 15 grams of marihuana may be in the form of marihuana concentrate, to a person 21 years of age or older, as long as the transfer is not advertised or promoted to the public.

2. Notwithstanding any other law or provision of this act, except as otherwise provided in section 4 of this act, the use, manufacture, possession, and purchase of marihuana accessories by a person 21 years of age or older and the distribution or sale of marihuana accessories to a person 21 years of age or older is authorized, is not unlawful, is not an offense, is not grounds for seizing or forfeiting property, is not grounds for arrest, prosecution, or penalty in any manner, and is not grounds to deny any other right or privilege.

3. A person shall not be denied custody of or visitation with a minor for conduct that is permitted by this act, unless the person's behavior is such that it creates an unreasonable danger to the minor that can be clearly articulated and substantiated.

History: 2018, Initiated Law 1, Eff. Dec. 6, 2018.

Compiler's note: This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.27956 Adoption or enforcement of ordinances by municipality; marihuana establishment local license; annual fee; restrictions on transportation or other facilities prohibited.

Sec. 6. 1. Except as provided in section 4, a municipality may completely prohibit or limit the number of marihuana establishments within its boundaries. Individuals may petition to initiate an ordinance to provide for the number of marihuana establishments allowed within a municipality or to completely prohibit marihuana establishments within a municipality, and such ordinance shall be submitted to the electors of the municipality at the next regular election when a petition is signed by qualified electors in the municipality in a number greater than 5% of the votes cast for governor by qualified electors in the municipality at the last gubernatorial election. A petition under this subsection is subject to section 488 of the Michigan election law, 1954 PA 116, MCL 168.488.

2. A municipality may adopt other ordinances that are not unreasonably impracticable and do not conflict with this act or with any rule promulgated pursuant to this act and that:

(a) establish reasonable restrictions on public signs related to marihuana establishments;

(b) regulate the time, place, and manner of operation of marihuana establishments and of the production, manufacture, sale, or display of marihuana accessories;

(c) authorize the sale of marihuana for consumption in designated areas that are not accessible to persons under 21 years of age, or at special events in limited areas and for a limited time; and

(d) designate a violation of the ordinance and provide for a penalty for that violation by a marihuana establishment, provided that such violation is a civil infraction and such penalty is a civil fine of not more than \$500.

3. A municipality may adopt an ordinance requiring a marihuana establishment with a physical location within the municipality to obtain a municipal license, but may not impose qualifications for licensure that conflict with this act or rules promulgated by the department.

4. A municipality may charge an annual fee of not more than \$5,000 to defray application, administrative, and enforcement costs associated with the operation of the marihuana establishment in the municipality.

5. A municipality may not adopt an ordinance that restricts the transportation of marihuana through the municipality or prohibits a marihuana grower, a marihuana processor, and a marihuana retailer from operating within a single facility or from operating at a location shared with a marihuana facility operating pursuant to

the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801.

History: 2018, Initiated Law 1, Eff. Dec. 6, 2018.

Compiler's note: This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.27957 Implementation, administration, and enforcement by department; powers; duties; public meetings; annual report.

Sec. 7. 1. The department is responsible for implementing this act and has the powers and duties necessary to control the commercial production and distribution of marihuana. The department shall employ personnel and may contract with advisors and consultants as necessary to adequately perform its duties. No person who is pecuniarily interested, directly or indirectly, in any marihuana establishment may be an employee, advisor, or consultant involved in the implementation, administration, or enforcement of this act. An employee, advisor, or consultant of the department may not be personally liable for any action at law for damages sustained by a person because of an action performed or done in the performance of their duties in the implementation, administration, or enforcement of this act. The department of state police shall cooperate and assist the department in conducting background investigations of applicants. Responsibilities of the department include:

(a) promulgating rules pursuant to section 8 of this act that are necessary to implement, administer, and enforce this act;

(b) granting or denying each application for licensure and investigating each applicant to determine eligibility for licensure, including conducting a background investigation on each person holding an ownership interest in the applicant;

(c) ensuring compliance with this act and the rules promulgated thereunder by marihuana establishments by performing investigations of compliance and regular inspections of marihuana establishments and by taking appropriate disciplinary action against a licensee, including prescribing civil fines for violations of this act or rules and suspending, restricting, or revoking a state license;

(d) holding at least 4 public meetings each calendar year for the purpose of hearing complaints and receiving the views of the public with respect to administration of this act;

(e) collecting fees for licensure and fines for violations of this act or rules promulgated thereunder, depositing all fees collected in the marihuana regulation fund established by section 14 of this act, and remitting all fines collected to be deposited in the general fund; and

(f) submitting an annual report to the governor covering the previous year, which report shall include the number of state licenses of each class issued, demographic information on licensees, a description of enforcement and disciplinary actions taken against licensees, and a statement of revenues and expenses of the department related to the implementation, administration, and enforcement of this act.

History: 2018, Initiated Law 1, Eff. Dec. 6, 2018.

Compiler's note: This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.27958 Rules; limitations.

Sec. 8. (1) The marijuana regulatory agency shall promulgate rules to implement and administer this act that include all of the following:

(a) Procedures for issuing a state license pursuant to section 9 and for renewing, suspending, and revoking a state license.

(b) A schedule of fees in amounts not more than necessary to pay for implementation, administration, and enforcement costs of this act and that relate to the size of each licensee or the volume of business conducted by the licensee.

(c) Qualifications for licensure that are directly and demonstrably related to the operation of a marihuana establishment. However, a prior conviction solely for a marihuana-related offense does not disqualify an individual or otherwise affect eligibility for licensure, unless the offense involved distribution of a controlled

substance to a minor.

(d) Requirements and standards for safe cultivation, processing, and distribution of marihuana by marihuana establishments, including health standards to ensure the safe preparation of marihuana-infused products and prohibitions on pesticides that are not safe for use on marihuana.

(e) Testing, packaging, and labeling standards, procedures, and requirements for marihuana, including, but not limited to, all of the following:

(i) A maximum tetrahydrocannabinol level for marihuana-infused products.

(ii) A requirement that a representative sample of marihuana be tested by a marihuana safety compliance facility.

(iii) A requirement that the amount of marihuana or marihuana concentrate contained within a marihuana-infused product be specified on the product label.

(iv) A requirement that all marihuana sold through marihuana retailers and marihuana microbusinesses include on the exterior of the marihuana packaging the following warning printed in clearly legible type and surrounded by a continuous heavy line:

WARNING: USE BY PREGNANT OR BREASTFEEDING WOMEN, OR BY
WOMEN PLANNING TO BECOME PREGNANT, MAY RESULT IN FETAL
INJURY, PRETERM BIRTH, LOW BIRTH WEIGHT, OR DEVELOPMENTAL
PROBLEMS FOR THE CHILD.

(f) Security requirements, including lighting, physical security, and alarm requirements, and requirements for securely transporting marihuana between marihuana establishments. The requirements described in this subdivision must not prohibit cultivation of marihuana outdoors or in greenhouses.

(g) Record keeping requirements for marihuana establishments and monitoring requirements to track the transfer of marihuana by licensees.

(h) Requirements for the operation of marihuana secure transporters to ensure that all marihuana establishments are properly serviced.

(i) Reasonable restrictions on advertising, marketing, and display of marihuana and marihuana establishments.

(j) A plan to promote and encourage participation in the marihuana industry by people from communities that have been disproportionately impacted by marihuana prohibition and enforcement and to positively impact those communities.

(k) Penalties for failure to comply with any rule promulgated pursuant to this section or for any violation of this act by a licensee, including civil fines and suspension, revocation, or restriction of a state license.

(l) Informational pamphlet standards for marihuana retailers and marihuana microbusinesses, including, but not limited to, a requirement to make available to every customer at the time of sale a pamphlet measuring 3.5 inches by 5 inches that includes safety information related to marihuana use by minors and the poison control hotline number.

(m) Procedures and standards for approving an appointee to operate a marihuana establishment under section 9a.

(2) The marijuana regulatory agency may promulgate rules to do any of the following:

(a) Provide for the issuance of additional types or classes of state licenses to operate marihuana-related businesses, including licenses that authorize any of the following:

(i) Limited cultivation, processing, transportation, delivery, storage, sale, or purchase of marihuana.

(ii) Consumption of marihuana within designated areas.

(iii) Consumption of marihuana at special events in limited areas and for a limited time.

(iv) Cultivation for purposes of propagation.

(v) Facilitation of scientific research or education.

(b) Regulate the cultivation, processing, distribution, and sale of industrial hemp.

(3) The marijuana regulatory agency shall not promulgate a rule that does any of the following:

(a) Establishes a limit on the number of any type of state licenses that may be granted.

(b) Requires a customer to provide a marihuana retailer with identifying information other than identification to determine the customer's age or requires the marihuana retailer to acquire or record personal information about customers other than information typically required in a retail transaction.

(c) Prohibits a marihuana establishment from operating at a shared location of a marihuana facility operating pursuant to the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801, or prohibits a marihuana grower, marihuana processor, or marihuana retailer from operating within a single facility.

(d) Is unreasonably impracticable.

(4) A rule promulgated under this act must be promulgated pursuant to the administrative procedures act of

1969, 1969 PA 306, MCL 24.201 to 24.328.

History: 2018, Initiated Law 1, Eff. Dec. 6, 2018;—Am. 2020, Act 31, Imd. Eff. Feb. 20, 2020;—Am. 2020, Act 208, Imd. Eff. Oct. 15, 2020.

Compiler's note: This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

For the transfer of powers and duties of the department of licensing and regulatory affairs to promulgate rules to regulate industrial hemp to the department of agriculture and rural development by type II transfer, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.27959 License to operate a marihuana establishment; application; qualifications; issuance; disclosure.

Sec. 9. 1. Each application for a state license must be submitted to the department. Upon receipt of a complete application and application fee, the department shall forward a copy of the application to the municipality in which the marihuana establishment is to be located, determine whether the applicant and the premises qualify for the state license and comply with this act, and issue the appropriate state license or send the applicant a notice of rejection setting forth specific reasons why the department did not approve the state license application within 90 days.

2. The department shall issue the following state license types: marihuana retailer; marihuana safety compliance facility; marihuana secure transporter; marihuana processor; marihuana microbusiness; class A marihuana grower authorizing cultivation of not more than 100 marihuana plants; class B marihuana grower authorizing cultivation of not more than 500 marihuana plants; and class C marihuana grower authorizing cultivation of not more than 2,000 marihuana plants.

3. Except as otherwise provided in this section, the department shall approve a state license application and issue a state license if:

(a) the applicant has submitted an application in compliance with the rules promulgated by the department, is in compliance with this act and the rules, and has paid the required fee;

(b) the municipality in which the proposed marihuana establishment will be located does not notify the department that the proposed marihuana establishment is not in compliance with an ordinance consistent with section 6 of this act and in effect at the time of application;

(c) the property where the proposed marihuana establishment is to be located is not within an area zoned exclusively for residential use and is not within 1,000 feet of a pre-existing public or private school providing education in kindergarten or any of grades 1 through 12, unless a municipality adopts an ordinance that reduces this distance requirement;

(d) no person who holds an ownership interest in the marihuana establishment applicant:

(1) will hold an ownership interest in both a marihuana safety compliance facility or in a marihuana secure transporter and in a marihuana grower, a marihuana processor, a marihuana retailer, or a marihuana microbusiness;

(2) will hold an ownership interest in both a marihuana microbusiness and in a marihuana grower, a marihuana processor, a marihuana retailer, a marihuana safety compliance facility, or a marihuana secure transporter; and

(3) will hold an ownership interest in more than 5 marihuana growers or in more than 1 marihuana microbusiness, except that the department may approve a license application from a person who holds an ownership interest in more than 5 marihuana growers or more than 1 marihuana microbusiness if, after January 1, 2023, the department promulgates a rule authorizing an individual to hold an ownership interest in more than 5 marihuana growers or in more than 1 marihuana microbusiness.

4. If a municipality limits the number of marihuana establishments that may be licensed in the municipality pursuant to section 6 of this act and that limit prevents the department from issuing a state license to all applicants who meet the requirements of subsection 3 of this section, the municipality shall decide among competing applications by a competitive process intended to select applicants who are best suited to operate in compliance with this act within the municipality.

5. All state licenses are effective for 1 year, unless the department issues the state license for a longer term. A state license is renewed upon receipt of a complete renewal application and a renewal fee from any marihuana establishment in good standing.

6. The department shall begin accepting applications for marihuana establishments within 12 months after the effective date of this act. Except as otherwise provided in this section, for 24 months after the department

begins to receive applications for marihuana establishments, the department may only accept applications for licensure: for a class A marihuana grower or for a marihuana microbusiness, from persons who are residents of Michigan; for a marihuana retailer, marihuana processor, class B marihuana grower, class C marihuana grower, or a marihuana secure transporter, from persons holding a state operating license pursuant to the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801; and for a marihuana safety compliance facility, from any applicant. One year after the department begins to accept applications pursuant to this section, the department shall begin accepting applications from any applicant if the department determines that additional state licenses are necessary to minimize the illegal market for marihuana in this state, to efficiently meet the demand for marihuana, or to provide for reasonable access to marihuana in rural areas.

7. Information obtained from an applicant related to licensure under this act is exempt from disclosure under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

History: 2018, Initiated Law 1, Eff. Dec. 6, 2018..

Compiler's note: This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.27959a Operation of a marihuana establishment; approval; marijuana regulatory agency; notice of violation.

Sec. 9a. (1) The marijuana regulatory agency may approve the operation of a marihuana establishment by any of the following:

(a) A court-appointed personal representative, guardian, or conservator of an individual who holds a state license or has an interest in a person that holds a state license.

(b) A court-appointed receiver or trustee.

(2) If an individual approved to operate a marihuana establishment under subsection (1) receives notice from the marijuana regulatory agency that the marihuana establishment the individual is operating is in violation of this act or the rules promulgated under this act, the individual shall notify the court that appointed the individual of the notice of violation within 2 days after receiving the notice of violation.

History: Add. 2020, Act 208, Imd. Eff. Oct. 15, 2020.

333.27960 Lawful activities by marihuana grower, processor, transporter, or retailer; limitations; contracts related to operation of marihuana establishments.

Sec. 10. 1. Notwithstanding any other law or provision of this act, and except as otherwise provided in section 4 of this act or the rules promulgated thereunder, the following acts are not unlawful, are not an offense, are not grounds for seizing or forfeiting property, are not grounds for arrest, prosecution, or penalty in any manner, are not grounds for search or inspection except as authorized by this act, and are not grounds to deny any other right or privilege:

(a) a marihuana grower or an agent acting on behalf of a marihuana grower who is 21 years of age or older, cultivating not more than the number of marihuana plants authorized by the state license class; possessing, packaging, storing, or testing marihuana; acquiring marihuana seeds or seedlings from a person who is 21 years of age or older; selling or otherwise transferring, purchasing or otherwise obtaining, or transporting marihuana to or from a marihuana establishment; or receiving compensation for goods or services;

(b) a marihuana processor or agent acting on behalf of a marihuana processor who is 21 years of age or older, possessing, processing, packaging, storing, or testing marihuana; selling or otherwise transferring, purchasing or otherwise obtaining, or transporting marihuana to or from a marihuana establishment; or receiving compensation for goods or services;

(c) a marihuana secure transporter or an agent acting on behalf of a marihuana secure transporter who is 21 years of age or older, possessing or storing marihuana; transporting marihuana to or from a marihuana establishment; or receiving compensation for services;

(d) a marihuana safety compliance facility or an agent acting on behalf of a marihuana safety compliance facility who is 21 years of age or older, testing, possessing, repackaging, or storing marihuana; transferring, obtaining, or transporting marihuana to or from a marihuana establishment; or receiving compensation for services;

(e) a marihuana retailer or an agent acting on behalf of a marihuana retailer who is 21 years of age or older, possessing, storing, or testing marihuana; selling or otherwise transferring, purchasing or otherwise obtaining,

or transporting marihuana to or from a marihuana establishment; selling or otherwise transferring marihuana to a person 21 years of age or older; or receiving compensation for goods or services; or

(f) a marihuana microbusiness or an agent acting on behalf of a marihuana microbusiness who is 21 years of age or older, cultivating not more than 150 marihuana plants; possessing, processing, packaging, storing, or testing marihuana from marihuana plants cultivated on the premises; selling or otherwise transferring marihuana cultivated or processed on the premises to a person 21 years of age or older; or receiving compensation for goods or services.

(g) leasing or otherwise allowing the use of property owned, occupied, or managed for activities allowed under this act;

(h) enrolling or employing a person who engages in marihuana-related activities allowed under this act;

(i) possessing, cultivating, processing, obtaining, transferring, or transporting industrial hemp; or

(j) providing professional services to prospective or licensed marihuana establishments related to activity under this act.

2. A person acting as an agent of a marihuana retailer who sells or otherwise transfers marihuana or marihuana accessories to a person under 21 years of age is not subject to arrest, prosecution, forfeiture of property, disciplinary action by a professional licensing board, denial of any right or privilege, or penalty in any manner, if the person reasonably verified that the recipient appeared to be 21 years of age or older by means of government-issued photographic identification containing a date of birth, and the person complied with any rules promulgated pursuant to this act.

3. It is the public policy of this state that contracts related to the operation of marihuana establishments be enforceable.

History: 2018, Initiated Law 1, Eff. Dec. 6, 2018.

Compiler's note: This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.27961 Marihuana establishments; requirements; limitations.

Sec. 11. (a) A marihuana establishment may not allow cultivation, processing, sale, or display of marihuana or marihuana accessories to be visible from a public place outside of the marihuana establishment without the use of binoculars, aircraft, or other optical aids.

(b) A marihuana establishment may not cultivate, process, test, or store marihuana at any location other than a physical address approved by the department and within an enclosed area that is secured in a manner that prevents access by persons not permitted by the marihuana establishment to access the area.

(c) A marihuana establishment shall secure every entrance to the establishment so that access to areas containing marihuana is restricted to employees and other persons permitted by the marihuana establishment to access the area and to agents of the department or state and local law enforcement officers and emergency personnel and shall secure its inventory and equipment during and after operating hours to deter and prevent theft of marihuana and marihuana accessories.

(d) No marihuana establishment may refuse representatives of the department the right during the hours of operation to inspect the licensed premises or to audit the books and records of the marihuana establishment.

(e) No marihuana establishment may allow a person under 21 years of age to volunteer or work for the marihuana establishment.

(f) No marihuana establishment may sell or otherwise transfer marihuana that was not produced, distributed, and taxed in compliance with this act.

(g) A marihuana grower, marihuana retailer, marihuana processor, marihuana microbusiness, or marihuana testing facility or agents acting on their behalf may not transport more than 15 ounces of marihuana or more than 60 grams of marihuana concentrate at one time.

(h) A marihuana secure transporter may not hold title to marihuana.

(i) No marihuana processor may process and no marihuana retailer may sell edible marihuana-infused candy in shapes or packages that are attractive to children or that are easily confused with commercially sold candy that does not contain marihuana.

(j) No marihuana retailer may sell or otherwise transfer marihuana that is not contained in an opaque, resealable, child-resistant package designed to be significantly difficult for children under 5 years of age to open and not difficult for normal adults to use properly as defined by 16 C.F.R. 1700.20 (1995), unless the marihuana is transferred for consumption on the premises where sold.

(k) No marihuana establishment may sell or otherwise transfer tobacco.

History: 2018, Initiated Law 1, Eff. Dec. 6, 2018.

Compiler's note: This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.27962 Deduction of certain expenses from income.

Sec. 12. In computing net income for marihuana establishments, deductions from state taxes are allowed for all the ordinary and necessary expenses paid or incurred during the taxable year in carrying out a trade or business.

History: 2018, Initiated Law 1, Eff. Dec. 6, 2018.

Compiler's note: This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.27963 Imposition of excise tax.

Sec. 13. 1. In addition to all other taxes, an excise tax is imposed on each marihuana retailer and on each marihuana microbusiness at the rate of 10% of the sales price for marihuana sold or otherwise transferred to anyone other than a marihuana establishment.

2. Except as otherwise provided by a rule promulgated by the department of treasury, a product subject to the tax imposed by this section may not be bundled in a single transaction with a product or service that is not subject to the tax imposed by this section.

3. The department of treasury shall administer the taxes imposed under this act and may promulgate rules pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to MCL 24.328, that prescribe a method and manner for payment of the tax to ensure proper tax collection under this act.

History: 2018, Initiated Law 1, Eff. Dec. 6, 2018.

Compiler's note: This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.27964 Marihuana regulation fund; creation; administration; allocation of expenditures.

Sec. 14. 1. The marihuana regulation fund is created in the state treasury. The department of treasury shall deposit all money collected under section 13 of this act and the department shall deposit all fees collected in the fund. The state treasurer shall direct the investment of the fund and shall credit the fund interest and earnings from fund investments. The department shall administer the fund for auditing purposes. Money in the fund shall not lapse to the general fund.

2. Funds for the initial activities of the department to implement this act shall be appropriated from the general fund. The department shall repay any amount appropriated under this subsection from proceeds in the fund.

3. The department shall expend money in the fund first for the implementation, administration, and enforcement of this act, and second, until 2022 or for at least two years, to provide \$20 million annually to one or more clinical trials that are approved by the United States food and drug administration and sponsored by a non-profit organization or researcher within an academic institution researching the efficacy of marihuana in treating the medical conditions of United States armed services veterans and preventing veteran suicide. Upon appropriation, unexpended balances must be allocated as follows:

(a) 15% to municipalities in which a marihuana retail store or a marihuana microbusiness is located, allocated in proportion to the number of marihuana retail stores and marihuana microbusinesses within the municipality;

(b) 15% to counties in which a marihuana retail store or a marihuana microbusiness is located, allocated in proportion to the number of marihuana retail stores and marihuana microbusinesses within the county;

- (c) 35% to the school aid fund to be used for K-12 education; and
- (d) 35% to the Michigan transportation fund to be used for the repair and maintenance of roads and bridges.

History: 2018, Initiated Law 1, Eff. Dec. 6, 2018.

Compiler's note: This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.27965 Violations; penalties.

Sec. 15. A person who commits any of the following acts, and is not otherwise authorized by this act to conduct such activities, may be punished only as provided in this section and is not subject to any other form of punishment or disqualification, unless the person consents to another disposition authorized by law:

1. Except for a person who engaged in conduct described in sections 4(1)(a), 4(1)(b), 4(1)(c), 4(1)(d), 4(1)(g), or 4(1)(h), a person who possesses not more than the amount of marihuana allowed by section 5, cultivates not more than the amount of marihuana allowed by section 5, delivers without receiving any remuneration to a person who is at least 21 years of age not more than the amount of marihuana allowed by section 5, or possesses with intent to deliver not more than the amount of marihuana allowed by section 5, is responsible for a civil infraction and may be punished by a fine of not more than \$100 and forfeiture of the marihuana.

2. Except for a person who engaged in conduct described in section 4, a person who possesses not more than twice the amount of marihuana allowed by section 5, cultivates not more than twice the amount of marihuana allowed by section 5, delivers without receiving any remuneration to a person who is at least 21 years of age not more than twice the amount of marihuana allowed by section 5, or possesses with intent to deliver not more than twice the amount of marihuana allowed by section 5:

(a) for a first violation, is responsible for a civil infraction and may be punished by a fine of not more than \$500 and forfeiture of the marihuana;

(b) for a second violation, is responsible for a civil infraction and may be punished by a fine of not more than \$1,000 and forfeiture of the marihuana;

(c) for a third or subsequent violation, is guilty of a misdemeanor and may be punished by a fine of not more than \$2,000 and forfeiture of the marihuana.

3. Except for a person who engaged in conduct described by section 4(1)(a), 4(1)(d), or 4(1)(g), a person under 21 years of age who possesses not more than 2.5 ounces of marihuana or who cultivates not more than 12 marihuana plants:

(a) for a first violation, is responsible for a civil infraction and may be punished as follows:

(1) if the person is less than 18 years of age, by a fine of not more than \$100 or community service, forfeiture of the marihuana, and completion of 4 hours of drug education or counseling; or

(2) if the person is at least 18 years of age, by a fine of not more than \$100 and forfeiture of the marihuana.

(b) for a second violation, is responsible for a civil infraction and may be punished as follows:

(1) if the person is less than 18 years of age, by a fine of not more than \$500 or community service, forfeiture of the marihuana, and completion of 8 hours of drug education or counseling; or

(2) if the person is at least 18 years of age, by a fine of not more than \$500 and forfeiture of the marihuana.

4. Except for a person who engaged in conduct described in section 4, a person who possesses more than twice the amount of marihuana allowed by section 5, cultivates more than twice the amount of marihuana allowed by section 5, or delivers without receiving any remuneration to a person who is at least 21 years of age more than twice the amount of marihuana allowed by section 5, shall be responsible for a misdemeanor, but shall not be subject to imprisonment unless the violation was habitual, willful, and for a commercial purpose or the violation involved violence.

History: 2018, Initiated Law 1, Eff. Dec. 6, 2018.

Compiler's note: This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.27966 Failure to act by department; application to municipality.

Sec. 16. 1. If the department does not timely promulgate rules as required by section 8 of this act or accept or process applications in accordance with section 9 of this act, beginning one year after the effective date of this act, an applicant may submit an application for a marihuana establishment directly to the municipality where the marihuana establishment will be located.

2. If a marihuana establishment submits an application to a municipality under this section, the municipality shall issue a municipal license to the applicant within 90 days after receipt of the application unless the municipality finds and notifies the applicant that the applicant is not in compliance with an ordinance or rule adopted pursuant to this act.

3. If a municipality issues a municipal license pursuant to this section:

- (a) the municipality shall notify the department that the municipal license has been issued;
- (b) the municipal license has the same force and effect as a state license; and
- (c) the holder of the municipal license is not subject to regulation or enforcement by the department during the municipal license term.

History: 2018, Initiated Law 1, Eff. Dec. 6, 2018.

Compiler's note: This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

333.27967 Construction of act; effect of federal law; severability.

Sec. 17. This act shall be broadly construed to accomplish its intent as stated in section 2 of this act. Nothing in this act purports to supersede any applicable federal law, except where allowed by federal law. All provisions of this act are self-executing. Any section of this act that is found invalid as to any person or circumstances shall not affect the application of any other section of this act that can be given full effect without the invalid section or application.

History: 2018, Initiated Law 1, Eff. Dec. 6, 2018.

Compiler's note: This new act was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. The proposed language was certified to the legislature on April 26, 2018 with the 40-day consideration period lapsing on June 5, 2018. The initiative petition was submitted to the voters as proposal 18-1 at the November 6, 2018 general election where it was approved 2,356,422 for and 1,859,675 against.

For the transfer of powers and duties of the department of licensing and regulatory affairs, including its bureau of marijuana regulation, to the marijuana regulatory agency, and abolishment of the bureau of marijuana regulation, see E.R.O. No. 2019-2, compiled at MCL 333.27001.

ALMENA TOWNSHIP
ORDINANCE NO. _____
ZONING ORDINANCE AMENDMENT FOR MARIHUANA ESTABLISHMENTS

At a regular meeting of the Almena Township Board held at the Almena Township Hall on the 11th day of January 2019, at 7:00 p.m.

PRESENT: Roman, Manning, Bobik, Redmond, Ricki, Moffat, Vantase

ABSENT: Ø

The following ordinance was offered by Member Roman and supported by Member Moffat :

**AN ORDINANCE TO ADD MARIHUANA ESTABLISHMENTS TO SPECIFIED
ZONING DISTRICTS AS SPECIAL LAND USES**

Section 1. Section 2.02- Definitions. Section 2.02 of the Almena Township Zoning Ordinance is amended to include the following definitions, in alphabetical order:

- Marihuana Establishment. A marihuana grower, marihuana microbusiness, marihuana processor, marihuana retailer, marihuana safety compliance facility, marihuana secure transporter, or any other type of marihuana-related business licensed by the Michigan Department of Licensing and Regulatory Affairs under the Medical Marihuana Facilities Licensing Act or the Michigan Regulation and Taxation of Marihuana Act.
- Marihuana Grower. A marihuana establishment that cultivates marihuana and sells or otherwise transfers marihuana to marihuana establishments.
- Marihuana Microbusiness. A marihuana establishment that cultivates no more than 150 marihuana plants; processes and packages marihuana; and sells or otherwise transfers marihuana to individuals who are 21 years of age or older or to marihuana safety compliance facilities, but not to other marihuana establishments.
- Marihuana Processor. A marihuana establishment that obtains marihuana from marihuana establishments; processes and packages marihuana; and sells or otherwise transfers marihuana to marihuana establishments.
- Marihuana Retailer. A marihuana establishment that sells or otherwise transfers marihuana to marihuana establishments and to individuals who are 21 years of age or older.
- Marihuana Safety Compliance Facility. A marihuana establishment that tests marihuana, including certification for potency and the presence of contaminants.
- Marihuana Secure Transporter Facility. A marihuana establishment that obtains marihuana from marihuana establishments in order to transport marihuana to other marihuana establishments.

Section 2. Section 4.03 Special Uses. Section 4.03 of the Almena Township Zoning Ordinance is amended to include the following use in the AG District:

- Marihuana Grower (see: Article XVII, Section 17.38)
- Marihuana Processor (see: Article XVII, Section 17.38)
- Marihuana Retailer, provided, there is at least one other authorized marihuana establishment on the same parcel (see: Article XVII, Section 17.38)

Section 3. Section 5.03 Special Uses. Section 5.03 of the Almena Township Zoning Ordinance is amended to include the following use in the AGLD District:

- Marihuana Grower (see: Article XVII, Section 17.38)
- Marihuana Processor (see: Article XVII, Section 17.38)
- Marihuana Retailer, provided, there is at least one other authorized marihuana establishment on the same parcel (see: Article XVII, Section 17.38)

Section 4. Section 9.03 Special Uses. Section 9.03 of the Almena Township Zoning Ordinance is amended to include the following uses in the C-3 District:

- Marihuana Grower (see: Article XVII, Section 17.38)
- Marihuana Microbusiness (see: Article XVII, Section 17.38)
- Marihuana Processor (see: Article XVII, Section 17.38)
- Marihuana Retailer (see: Article XVII, Section 17.38)
- Marihuana Safety Compliance Facility (see: Article XVII, Section 17.38)
- Marihuana Secure Transporter Facility (see: Article XVII, Section 17.38)

Section 5. Section 9.03 Special Uses. Section 9.03 of the Almena Township Zoning Ordinance is amended to include the following uses in the C-1 and C-2 Districts:

- Marihuana Grower (see: Article XVII, Section 17.38)
- Marihuana Processor (see: Article XVII, Section 17.38)
- Marihuana Retailer (see: Article XVII, Section 17.38)
- Marihuana Safety Compliance Facility (see: Article XVII, Section 17.38)
- Marihuana Secure Transporter Facility (see: Article XVII, Section 17.38)

Section 6. Section 17.38 Special Uses. A new Section 17.38 is included in Article XVII of the Almena Township Zoning Ordinance:

Section 17.38 Marihuana Establishments: Marihuana Grower, Marihuana Microbusiness, Marihuana Processor, Marihuana Retailer, Marihuana Safety Compliance Facility, Marihuana Secure Transporter.

- A. Marihuana establishments shall be reviewed in accordance with the special land standards, site plan standards and requirements, and all other zoning requirements for development.
- B. An approval shall be contingent upon approval of a Marihuana Establishment Permit issued by the Almena Township Board. Special land use permits shall only be valid for the permit term of the Marihuana Establishment Permit. In the case of a lapse in validity of a Marihuana Establishment Permit for more than one (1) year, a new special land use permit shall be necessary and processed in accordance with procedures outlined in Article XXIII.
- C. All marihuana establishments shall remain in compliance with the Almena Township Zoning Ordinance and the Almena Township Marihuana Establishments Permitting Ordinance.

Section 7. Severability. The provisions of this ordinance are hereby declared to be severable and if any clause, sentence, word, section or provision is declared void or unenforceable for any reason by any court of competent jurisdiction, it shall not affect any portion of this ordinance other than said part or portion thereof.

Section 8. Effective Date. This ordinance shall be effective eight (8) days after the publication of a summary of its provisions in a local newspaper of general circulation in the Township.

AYES:
NAYS:

Roman, Manning, Bobik, Bedard, Rickli, Mattet, Montassel

ORDINANCE DECLARED ADOPTED.

Sandra B. Rickli 1-16-19

Sandra Rickli
Almena Township Clerk

William Montassel 1-16-19

I hereby certify that the foregoing is a true and complete copy of an Ordinance adopted by the Township Board of the Township of Almena at a regular meeting held on the date first stated above, and I further certify that public notice of such meeting was given as provided by law.



Sandra Rickli

Almena Township Clerk

**ALMENA TOWNSHIP
ORDINANCE NO. O-2019-01
MEDICAL MARIHUANA FACILITIES**

At a regular meeting of the Almena Township Board held at the Almena Township Hall on the 19 day of June 2019, at 7:00 p.m.

PRESENT: Kloosterman, Manning, Babik, Rickli, Roman, Redmond, VanTassel

ABSENT: Ø

The following ordinance was offered by Member Roman and supported by Member VanTassel:

**AN ORDINANCE TO AUTHORIZE AND REGULATE
MEDICAL MARIHUANA FACILITIES**

WHEREAS, THE TOWNSHIP OF ALMENA, COUNTY OF VAN BUREN, STATE OF MICHIGAN ORDAINS:

Section 1. Title. This ordinance shall be known as the "Almena Township Medical Marihuana Facility Permitting Ordinance" and may be referred to as the "ordinance" herein.

Section 2. Purpose. It is the intent of this ordinance to authorize medical marihuana facilities in Almena Township and to permit and regulate the allowable uses. This ordinance is intended to:

- A. Protect public health, safety, and welfare.
- B. Establish a set of rules and regulations that are fair and equitable for facilities authorized by the Medical Marihuana Facilities Licensing Act (MMFLA).
- C. Provide reasonable regulation pursuant to the Almena Township general police power granted to townships by the Michigan Constitution of 1963 and the Township Ordinances Act, MCL 41.181 et seq.

Section 3. Definitions. As used in this ordinance:

- A. Applicant- A person who has applied for a Township Medical Marihuana Facility Permit.
- B. Marihuana- That term as defined in Section 7106 of the Michigan Public Health Code.
- C. Medical Marihuana Facilities Licensing Act (MMFLA)- Act 281 of 2016.
- D. Medical Marihuana Facility- A facility licensed to operate under the Medical Marihuana Facilities Licensing Act.

- E. Medical Marihuana Grower- A medical marihuana facility that that cultivates, dries, trims, or cures and packages marihuana for sale to a processor, provisioning center, or another grower.
- F. Medical Marihuana Processor- A medical marihuana facility that that purchases marihuana from a grower and that extracts resin from the marihuana or creates a marihuana-infused product for sale and transfer in packaged form to a provisioning center or another processor.
- G. Medical Marihuana Provisioning Center- A medical marihuana facility that purchases marihuana from a grower or processor and sells, supplies, or provides marihuana to registered qualifying patients, directly or through the patients' registered primary caregivers. Provisioning center includes any commercial property where marihuana is sold at retail to registered qualifying patients or registered primary caregivers.
- H. Medical Marihuana Safety Compliance Facility- A medical marihuana facility that takes marihuana from a marihuana facility or receives marihuana from a registered primary caregiver, tests the marihuana for contaminants and for tetrahydrocannabinol and other cannabinoids, returns the test results, and may return the marihuana to the marihuana facility.
- I. Medical Marihuana Secure Transporter Facility- A medical marihuana facility that stores marihuana and transports marihuana between marihuana facilities for a fee.
- J. Michigan Regulation and Taxation of Marihuana Act (MRTMA)- Initiated Law 1 of 2018.
- K. Monthly Application Window- An open application period that commences the day after a 23-day deadline for a Township Medical Marihuana Facility Permit and ends on the following 23-day application deadline.
- L. Person- An individual, corporation, limited liability company, partnership, limited partnership, limited liability partnership, or other legal entity.
- M. Recreational Marihuana Establishment- A marihuana grower, marihuana safety compliance facility, marihuana processor, marihuana microbusiness, marihuana retailer, marihuana secure transporter, or any other type of marihuana-related business licensed by the State of Michigan under the Michigan Regulation and Taxation of Marihuana Act.
- N. Registered Primary Caregiver- A primary caregiver who has been issued a current registry identification card under the Michigan Medical Marihuana Act.
- O. Registered Qualifying Patient- A qualifying patient who has been issued a current registry identification card under the Michigan Medical Marihuana Act.
- P. State License- A license issued by the State of Michigan for facilities under the Medical Marihuana Facilities Licensing Act.
- Q. State Rules- Rules promulgated under the administrative procedures Act of 1969, 1969 PA 306, MCL 24.201 to 24.328, to implement the Medical Marihuana Facilities Licensing Act.
- R. Township- Almena Township.

- S. Township Medical Marihuana Facility Permit- A permit issued by the Almena Township Board that authorizes the operation of a Medical Marihuana Facility.

Section 4. Authorized Medical Marihuana Facilities and Applicability.

- A. The following medical marihuana facilities, as authorized by the MMFLA, may be operated by a Township Medical Marihuana Facility Permit holder in the Township:
1. Medical marihuana grower, not to exceed 500 marihuana plants.
 2. Medical marihuana processor.
 3. Medical marihuana provisioning center.
 4. Medical marihuana safety compliance facility.
 5. Medical marihuana secure transporter facility.
- B. Number.
1. The number of Township Medical Marihuana Facility Permits in effect at any time shall not exceed the following maximums within the Township:
 - a. Medical marihuana grower: twelve (12).
 - b. Medical marihuana processor: three (3).
 - c. Medical marihuana provisioning center: three (3).
 - d. Medical marihuana safety compliance facility: no limit
 - e. Medical marihuana secure transporter facility: no limit
 2. The Township Board may review and amend permit limits by amending this ordinance.
- C. This ordinance does not apply to any registered primary caregiver or registered qualifying patient operating pursuant to the Michigan Medical Marihuana Act (MMMA).

Section 5. General Requirements.

- A. Medical marihuana facilities shall comply with all applicable building and construction codes, zoning requirements, and all state laws and rules, for the construction, design, and operation of the facility. Ongoing compliance with all applicable rules and regulations is required.
- B. Medical marihuana facilities shall only be operated by a person who has been issued a state permit and a Township Medical Marihuana Facility Permit. The medical marihuana facility shall be operated only so long as the state permit and Township Medical Marihuana Facility Permit remain valid and only in accordance with the terms of the permits. Township Medical Marihuana Facility Permits shall be valid only so long as the state permit is valid.

- C. All medical marihuana facilities must have adequate security to prevent access to marihuana by unauthorized persons.
- D. Medical marihuana facilities and recreational marihuana establishments may co-locate within the same building or on the same parcel, so long as the uses are permitted in the applicable zoning district and if co-location is allowable per state laws and rules.
- E. No medical marihuana facility shall be operated in a manner that creates excessive noise, dust, vibrations, glare, and fumes or odors that are detectible to the normal senses beyond the boundaries of the parcel on which the medical marihuana facility operates.
- F. Separations.
 - 1. Medical marihuana growers, medical marihuana processors, and medical marihuana provision centers shall be located at least one-thousand (1,000) feet from the following sensitive uses: schools, licensed child care centers, places of worship, and public parks.
 - 2. A medical marihuana provisioning center in an AG or AGLD Zoning District shall be located at least one-thousand (1,000) feet from the next closest permitted off-site medical marihuana provisioning center or permitted recreational marihuana retailer.
 - 3. A medical marihuana grower in an AG or AGLD Zoning District shall be located at least one-thousand (1,000) feet from the next closest permitted off-site medical marihuana grower or permitted recreational marihuana grower.
 - 4. The minimum required separations are measured horizontally in the following manner:
 - i. Between the nearest outside wall of the proposed facility to the nearest outside wall of a building accommodating a sensitive land use, or to the outside limits of an outdoor area used in conjunction with the sensitive land use.
 - ii. Between the nearest outside wall of the proposed facility to the nearest outside wall of an existing permitted medical marihuana provisioning center or permitted recreational marihuana retailer.
 - 5. Separation waivers may be granted by the Township Board in any one of the following cases, except for minimum distances from schools:
 - i. Signed consent supporting the waiver is provided by the owner of the sensitive use.
 - ii. The Township Board finds that the operation of the medical marihuana facility does not have detrimental effects on sensitive uses and neighboring property.
- G. A medical marihuana facility shall operate only on the property and at the address specified on the Township Medical Marihuana Facility Permit and state permit.

Section 6. Special Requirements for Medical Marihuana Growers.

- A. All facilities must be designed to minimize odors emanating from the marihuana plants. Air scrubbing and carbon filtration systems shall be required by the Township unless another comparable technology or best practice with equivalent effectiveness is incorporated.

Section 7. Special Requirements for Medical Marihuana Provisioning Centers.

- A. No medical marihuana provisioning center shall operate between the hours of 9:00 p.m. and 7:00 a.m.
- B. Marihuana and marihuana-infused products shall not be directly visible from the exterior of the facility.

Section 8. Zoning Compliance.

- A. The Almena Township Zoning Ordinance shall specify the zoning districts in which a medical marihuana facility may be located and operated. No Township Medical Marihuana Facility Permit shall be issued to a medical marihuana facility located or operated in any zoning district which does not expressly authorize the use through the special land use process.
- B. All special land use approvals granted for medical marihuana facilities shall be conditioned on the securing of a state permit and a Township Medical Marihuana Facility Permit.
- C. A medical marihuana facility shall not be operated except in compliance with the Zoning Ordinance and all special land use and site plan approvals.

Section 9. Permitting and Inspections.

- A. A separate permit application is required for each medical marihuana facility proposed.
- B. A medical marihuana facility shall only be operated in the Township if the facility obtains a Township Medical Marihuana Facility Permit under the terms of this ordinance, the applicant pays a Marihuana Facility Fee, and only after special land use approval is issued in accordance with the Zoning Ordinance.
- C. A Township Medical Marihuana Facility Permit must be renewed annually, through re-application and payment of the Marihuana Facility Renewal Fee. Approval shall be conditioned on the applicant's demonstration of a positive record of compliance with the requirements of the State of Michigan, this ordinance, and the requirements of the Zoning Ordinance.
- D. The Township Medical Marihuana Facility Permit and state permit must be displayed indoors in plain view clearly visible to Township officials.

- E. By accepting a Township Medical Marihuana Facility Permit, the applicant shall consent to inspections of the applicant's medical marihuana facility by Township officials and/or by the Van Buren County Sheriff's Department to verify compliance with this ordinance.

Section 10. Application.

- A. An applicant shall apply for a Township Medical Marihuana Facility Permit on a Township application form and shall pay a non-refundable Marihuana Facility Fee set by Township Resolution.
- B. The application shall include the following information, as well as any other information that may be requested by the Township to verify compliance with this ordinance:
1. The applicant's name, home and business address, e-mail address, and telephone number(s).
 2. The address, legal description and permanent parcel number of the property on which the medical marihuana facility is proposed to be located.
 3. The name and address of the owner of record of the property on which the medical marihuana facility is to be located. If not owned by the applicant, a signed copy of the lease or other legal instrument whereby the owner has permitted the applicant to establish and operate the proposed medical marihuana facility on the parcel shall be provided.
 4. The type of medical marihuana facility which the applicant proposes.
 5. A copy of the any approval from the state or prequalification.
 6. Operations plan, including but not limited to the following information:
 - i. General narrative concerning business plans, objectives, and operations.
 - ii. Business structure.
 - iii. Organization and management.
 - iv. Explanation of strategy and methods to comply with this ordinance, zoning requirements, building codes, fire safety rules, and other applicable codes.

Section 11. Process.

- A. The application for a Township Medical Marihuana Facility Permit shall be submitted to the Township Clerk no less than 23 days prior to the Township Board meeting in which it is to be considered.
- B. A special land use approval must be valid for the subject site. An application will not be accepted by the Township Clerk until the Township Board grants special land use and site plan approval for the subject site.
- C. Upon receiving an application, the Clerk shall review it to determine whether it is complete under the terms of this ordinance. The Clerk may review this material in

conjunction with Township officials, legal counsel, and consultants. If the application is not complete, the Clerk shall inform the applicant in writing. An incomplete application is not deemed to be an officially submitted application and shall not have precedence of consideration over any other application.

- D. Upon determining that an application is complete, the Clerk shall assign a number to it, based on the order in which it was received, and arrange for it to be presented to the Township Board. Other applications, if any, may be received, but they shall be reviewed for completeness only in the order received, and, if complete, shall be considered for approval of a Township Medical Marihuana Facility Permit only in the order received, and only if a permit for the requested type of medical marihuana facility is then available.
- E. In any monthly application window, as defined, where the Township Board receives more complete applications than available permits for a specific type of medical marihuana facility, the Township Board shall select at random the order in which applications are considered at the upcoming meeting. All applicants will be entered in a lottery to determine the order in which applications will be reviewed. The name of each applicant will be drawn individually in sequence, with each applicant being assigned a number corresponding to the order in which their name was drawn. The lottery will continue until the names of all applicants are drawn and assigned a number. The location of the medical marihuana facility proposed by the applicant whose name is drawn first in the lottery shall then be reviewed first by the Township Board. All lottery drawings shall be conducted publicly by the Township Clerk or designee with all entrants in the lottery advised of the date and time of the lottery and afforded the opportunity to attend and witness the drawing.
- F. The Township Board shall approve a Township Medical Marihuana Facility Permit only if the application satisfies all of the following conditions:
 - 1. The applicant has received prequalification by the state for the type of facility proposed.
 - 2. The request is within the quota for the number of medical marihuana facilities permitted by this ordinance.
 - 3. The medical marihuana facility complies with this ordinance and has received special land use approval.
 - 4. The applicant has demonstrated that the medical marihuana facility will not impact public health, safety, and welfare.
 - 5. In case of renewal, there have been no material violations of the Township Medical Marihuana Facility Permit, this ordinance, and the special land use and site plan approval.
- G. If the application is approved, the Township Board shall authorize and direct the Clerk to issue a Township Medical Marihuana Facility Permit to the applicant. The permit shall include terms and conditions consistent with this ordinance, any conditions imposed by the Township Board, and such other provisions as are relevant to the type of medical marihuana facility. The permit information shall be provided to the applicable state licensing boards in accordance with state laws and rules. The Township Medical Marihuana Facility Permit shall not be effective until state license approval.

- H. If the application is denied, the Clerk shall inform the applicant in writing, which shall include the reasons for the denial.
- I. An applicant shall have the right to appeal a permit denial in any manner provided by law.

Section 12. Renewal and Transfers.

- A. The Township Medical Marihuana Facility Permit shall be valid for a period not longer than one (1) year.
- B. The Township Medical Marihuana Facility Permit shall be renewed annually prior to the anniversary date of the original permit approval. A permit holder desiring renewal shall apply for the same by completing a Township form for such purpose.
- C. With the renewal application, the applicant shall submit either a revised site plan, if any of the elements of the previously submitted site plan have changed, or otherwise, the applicant shall submit a statement that the previous site plan remains accurate as to the matters depicted on the previously approved plan. Major site plan changes shall be processed in accordance with the Zoning Ordinance.
- D. The Township Board shall consider the renewal application in the same manner and under the same requirements as for an original application, except that in considering the renewal, the Board may consider any violations on the part of the applicant during the previous period of the permit, and shall issue an approval, conditional approval, or denial in the same manner as Section 11 of this ordinance.
- E. The Township Medical Marihuana Facility Permit issued under this ordinance is not transferable. If the state rules and regulations allow the transfer of a license, such transferee shall apply for a Township Medical Marihuana Facility Permit upon state approval, and the Township Board shall review such application in accordance with this ordinance.
- F. Any permit for a medical marihuana facility issued under the previous Almena Township Marihuana Establishment Permitting Ordinance shall be renewed annually under the Almena Township Medical Marihuana Facility Permitting Ordinance.

Section 13. Fees. A Marihuana Facility Fee and Marihuana Facility Renewal Fee shall be paid by the applicant for each Medical Marihuana Facility Permit, in the amount up to \$5,000, as established by a Township Board Resolution.

Section 14. Violations and Penalties.

- A. Township may seek injunctive relief against persons alleged to be in violation of this ordinance, and such other relief as may be provided by law.

Section 15. Revocation of Permit.

A. Revocation.

1. A Township Medical Marihuana Facility Permit issued under this ordinance may be revoked by the Township Board for any of the following:
 - a. Fraudulent or material misrepresentation contained in the application
 - b. A pattern of violations of this ordinance or the Zoning Ordinance, after reasonable notice and opportunity to abate the violation.
 - c. Violations of state law and rules.
 - d. Revocation of state license.
 2. The revocation shall be in addition to the other available remedies under this Ordinance per Section 14.
- B. The Clerk shall give written notice to the permit holder of the Township Board's intent to revoke the Township Medical Marihuana Facility Permit. The notice shall state the reasons for the proposed revocation. The notice shall state that the permit holder may attend a hearing before the Township Board as to the revocation to appeal the decision. At least 10 days' notice of the hearing shall be given; the notice shall state the date, time and place of the hearing. At or prior to the hearing, the permit holder may submit written comments with respect to the proposed revocation.
- C. Following the hearing, the Township Board may, by written decision, revoke the permit, elect not to revoke the permit, or impose additional terms and conditions in the permit to gaining compliance as to the matters for which revocation was considered.
- D. The revocation of a Township Medical Marihuana Facility Permit shall not entitle the permit holder to any refund fees paid under the terms of this ordinance.

Section 16. Severability. The provisions of this ordinance are hereby declared to be severable and if any clause, sentence, word, section or provision is declared void or unenforceable for any reason by any court of competent jurisdiction, it shall not affect any portion of this ordinance other than said part or portion thereof.

Section 17. Repeal. All ordinances or parts of ordinances in conflict herewith be and the same are hereby repealed, specifically the Almena Township Marihuana Establishment Permitting Ordinance. However, legal proceedings presently pending on an ordinance which is hereby repealed may proceed to judgment or decision and shall not be affected by this ordinance. This ordinance is not to be interpreted so as to vary the terms of or to create an inconsistency with the Almena Township Zoning Ordinance.

Section 18. Effective Date. This ordinance shall be effective 30 days after the publication of a summary of its provisions in a local newspaper of general circulation in the Township.

AYES:
NAYS:

Klosterman, Manning, Babik, Rickli, Roman, Redmond, Van Tassel

ORDINANCE DECLARED ADOPTED.

Sandra B. Rickli

Sandra Rickli

Almena Township Clerk

William A. Vontassel supervisor

I hereby certify that the foregoing is a true and complete copy of an Ordinance adopted by the Township Board of the Township of Almena at a regular meeting held on the date first stated above, and I further certify that public notice of such meeting was given as provided by law.

Sandra B. Rickli

Sandra Rickli

Almena Township Clerk

**ALMENA TOWNSHIP
ORDINANCE NO. O-2019-02
RECREATIONAL MARIHUANA ESTABLISHMENTS**

At a regular meeting of the Almena Township Board held at the Almena Township Hall on the 19 day of June 2019, at 7:00 p.m.

PRESENT: Babik, Roman, Manning, Redmond, Khoslerman, Pickli, VanTassel

ABSENT: Ø

The following ordinance was offered by Member Roman and supported by Member VanTassel:

**AN ORDINANCE TO AUTHORIZE AND REGULATE
RECREATIONAL MARIHUANA ESTABLISHMENTS**

WHEREAS, THE TOWNSHIP OF ALMENA, COUNTY OF VAN BUREN, STATE OF MICHIGAN ORDAINS:

Section 1. Title. This ordinance shall be known as the “Almena Township Recreational Marihuana Establishment Permitting Ordinance” and may be referred to as the “ordinance” herein.

Section 2. Purpose. It is the intent of this ordinance to authorize recreational marihuana establishments in Almena Township and to permit and regulate the allowable uses. This ordinance is intended to:

- A. Protect public health, safety, and welfare.
- B. Establish a set of rules and regulations that are fair and equitable for establishments authorized by the Michigan Regulation and Taxation of Marihuana Act (MRTMA).
- C. Provide reasonable regulation pursuant to the Almena Township general police power granted to townships by the Michigan Constitution of 1963 and the Township Ordinances Act, MCL 41.181 et seq.

Section 3. Definitions. As used in this ordinance:

- A. Applicant- A person who has applied for a Township Recreational Marihuana Establishment Permit.
- B. Marihuana- That term as defined in Section 7106 of the Michigan Public Health Code.
- C. Medical Marihuana Facilities Licensing Act (MMFLA)- Act 281 of 2016.
- D. Medical Marihuana Facility- A facility licensed to operate under the Medical Marihuana Facilities Licensing Act.

- E. Michigan Regulation and Taxation of Marihuana Act (MRTMA)- Initiated Law 1 of 2018.
- F. Monthly Application Window- An open application period that commences the day after a 23-day deadline for a Township Recreational Establishment Permit and ends on the following 23-day application deadline.
- G. Person- An individual, corporation, limited liability company, partnership, limited partnership, limited liability partnership or other legal entity.
- H. Recreational Marihuana Establishment- A marihuana grower, marihuana safety compliance facility, marihuana processor, marihuana microbusiness, marihuana retailer, marihuana secure transporter, or any other type of marihuana-related business licensed by the State of Michigan under the Michigan Regulation and Taxation of Marihuana Act.
- I. Recreational Marihuana Grower- A recreational marihuana establishment licensed to cultivate marihuana and sell or otherwise transfer marihuana to marihuana establishments.
- J. Recreational Marihuana Microbusiness- A recreational marihuana establishment licensed to cultivate not more than 150 marihuana plants; process and package marihuana; and sell or otherwise transfer marihuana to individuals who are 21 years of age or older or to a marihuana safety compliance facility, but not to other marihuana establishments.
- K. Recreational Marihuana Processor- A recreational marihuana establishment licensed to obtain marihuana from marihuana establishments; process and package marihuana; and sell or otherwise transfer marihuana to marihuana establishments.
- L. Recreational Marihuana Retailer- A recreational marihuana establishment licensed to obtain marihuana from marihuana establishments and to sell or otherwise transfer marihuana to marihuana establishments and to individuals who are 21 years of age or older.
- M. Recreational Marihuana Safety Compliance Facility- A recreational marihuana establishment licensed to test marihuana, including certification for potency and the presence of contaminants.
- N. Recreational Marihuana Secure Transporter- A recreational marihuana establishment licensed to obtain marihuana from marihuana establishments in order to transport marihuana to marihuana establishments
- O. Registered Primary Caregiver- A primary caregiver who has been issued a current registry identification card under the Michigan Medical Marihuana Act.
- P. Registered Qualifying Patient- A qualifying patient who has been issued a current registry identification card under the Michigan Medical Marihuana Act.
- Q. State License- A license issued by the State of Michigan for establishments under the Michigan Regulation and Taxation of Marihuana Act.
- R. State Rules- Rules promulgated under the administrative procedures Act of 1969, 1969 PA 306, MCL 24.201 to 24.328, to implement the Michigan Regulation and Taxation of Marihuana Act.

- S. Township- Almena Township.
- T. Township Recreational Marihuana Establishment Permit- A permit issued by the Almena Township Board that authorizes the operation of a Recreational Marihuana Establishment.

Section 4. Authorized Recreational Marihuana Establishments and Applicability.

- A. The following recreational marihuana establishments, as authorized by the MRTMA, may be operated by a Township Recreational Marihuana Establishment Permit holder in the Township:
 - 1. Recreational Marihuana Grower, not to exceed 500 marihuana plants.
 - 2. Recreational Marihuana Microbusiness.
 - 3. Recreational Marihuana Processor.
 - 4. Recreational Marihuana Retailer.
 - 5. Recreational Marihuana Safety Compliance Facility.
 - 6. Recreational Marihuana Secure Transporter.
- B. Number.
 - 1. The number of Township Recreational Marihuana Establishment Permits in effect at any time shall not exceed the following maximums within the Township:
 - a. Recreational Marihuana Grower, not to exceed 500 marihuana plants: twelve (12).
 - b. Recreational Marihuana Microbusiness: one (1).
 - c. Recreational Marihuana Processor: three (3).
 - d. Recreational Marihuana Retailer: three (3).
 - e. Recreational Marihuana Safety Compliance Facility: no limit
 - f. Recreational Marihuana Secure Transporter: no limit
 - 2. The Township Board may review and amend permit limits by amending this ordinance.
- C. This ordinance does not apply to any registered primary caregiver or registered qualifying patient operating pursuant to the Michigan Medical Marihuana Act (MMMA).

Section 5. General Requirements.

- A. Recreational marihuana establishments shall comply with all applicable building and construction codes, zoning requirements, and all state laws and rules, for the construction, design, and operation of the establishment. Ongoing compliance with all applicable rules and regulations is required.

- B. Recreational marihuana establishments shall only be operated by a person who has been issued a state permit and a Township Recreational Marihuana Establishment Permit. The recreational marihuana establishment shall be operated only so long as the state permit and Township Recreational Marihuana Establishment Permit remain valid and only in accordance with the terms of the permits. Township Recreational Marihuana Establishment Permits shall be valid only so long as the state permit is valid.
- C. All recreational marihuana establishments must have adequate security to prevent access to marihuana by unauthorized persons.
- D. Recreational marihuana establishments and medical marihuana facilities may co-locate within the same building or on the same parcel, so long as the uses are permitted in the applicable zoning district and if co-location is allowable per state laws and rules.
- E. No recreational marihuana establishment shall be operated in a manner that creates excessive noise, dust, vibrations, glare, and fumes or odors that are detectible to the normal senses beyond the boundaries of the parcel on which the recreational marihuana establishment operates.
- F. Separations.
 - 1. Recreational marihuana growers, recreation marihuana processors, and recreational marihuana retailers shall be located at least one-thousand (1,000) feet from the following sensitive uses: schools, licensed child care centers, places of worship, and public parks.
 - 2. A recreational marihuana retailer in an AG or AGLD Zoning District shall be located at least one-thousand (1,000) feet from the next closest permitted off-site medical marihuana provisioning center or permitted recreational marihuana retailer.
 - 3. A recreational marihuana grower in an AG or AGLD Zoning District shall be located at least one-thousand (1,000) feet from the next closest permitted off-site medical marihuana grower or permitted recreational marihuana grower.
 - 4. The minimum required separations are measured horizontally in the following manner:
 - i. Between the nearest outside wall of the proposed establishment to the nearest outside wall of a building accommodating a sensitive land use, or to the outside limits of an outdoor area used in conjunction with the sensitive land use.
 - ii. Between the nearest outside wall of the proposed establishment to the nearest outside wall of an existing permitted medical marihuana provisioning center or permitted recreational marihuana retailer.
 - 5. Separation waivers may be granted by the Township Board in any one of the following cases, except for minimum distances from schools:
 - i. Signed consent supporting the waiver is provided by the owner of the sensitive use.

- ii. The Township Board finds that the operation of the recreational marihuana establishment does not have detrimental effects on the sensitive uses and neighboring property.
- G. A recreational marihuana establishment shall operate only on the property and at the address specified on the Township Recreational Marihuana Establishment Permit and state permit.

Section 6. Special Requirements for Recreational Marihuana Growers.

- A. All establishments must be designed to minimize odors emanating from the marihuana plants. Air scrubbing and carbon filtration systems shall be required by the Township unless another comparable technology or best practice with equivalent effectiveness is incorporated.

Section 7. Special Requirements for Recreational Marihuana Retailers.

- A. No recreational marihuana retailer shall operate between the hours of 9:00 p.m. and 7:00 a.m.
- B. Marihuana and marihuana-infused products shall not be directly visible from the exterior of the establishment.

Section 8. Zoning Compliance.

- A. The Almena Township Zoning Ordinance shall specify the zoning districts in which a recreational marihuana establishment may be located and operated. No Township Recreational Marihuana Establishment Permit shall be issued to a recreational marihuana establishment located or operated in any zoning district which does not expressly authorize the use through the special land use process.
- B. All special land use approvals granted for recreational marihuana establishments shall be conditioned on the securing of a state permit and a Township Recreational Marihuana Establishment Permit.
- C. A recreational marihuana establishment shall not be operated except in compliance with the Zoning Ordinance and all special land use and site plan approvals.

Section 9. Permitting and Inspections.

- A. A separate permit application is required for each recreational marihuana establishment proposed.
- B. A recreational marihuana establishment shall only be operated in the Township if the establishment obtains a Township Recreational Marihuana Establishment Permit under the terms of this ordinance, the applicant pays Marihuana Establishment Fee, and only after special land use approval is issued in accordance with the Zoning Ordinance.

- C. A Township Recreational Marihuana Establishment Permit must be renewed annually, through re-application and payment of the Marihuana Establishment Renewal Fee. Approval shall be conditioned on the applicant's demonstration of a positive record of compliance with the requirements of the State of Michigan, this ordinance, and the requirements of the Zoning Ordinance.
- D. The Township Recreational Marihuana Establishment Permit and state permit must be displayed indoors in plain view clearly visible to Township officials.
- E. By accepting a Township Recreational Marihuana Establishment Permit, the applicant shall consent to inspections of the applicant's recreational marihuana establishment by Township officials and/or by the Van Buren County Sheriff's Department to verify compliance with this ordinance.

Section 10. Application.

- A. An applicant shall apply for a Township Recreational Marihuana Establishment Permit on a Township application form and shall pay a non-refundable Marihuana Establishment Fee set by Township Resolution.
- B. The application shall include the following information, as well as any other information that may be requested by the Township to verify compliance with this ordinance:
 - 1. The applicant's name, home and business address, e-mail address, and telephone number(s).
 - 2. The address, legal description and permanent parcel number of the property on which the recreational marihuana establishment is proposed to be located.
 - 3. The name and address of the owner of record of the property on which the recreational marihuana establishment is to be located. If not owned by the applicant, a signed copy of the lease or other legal instrument whereby the owner has permitted the applicant to establish and operate the proposed recreational marihuana establishment on the parcel shall be provided.
 - 4. The type of recreational marihuana establishment which the applicant proposes.
 - 5. A copy of the any approval from the state or prequalification.
 - 6. Operations plan, including but not limited to the following information:
 - i. General narrative concerning business plans, objectives, and operations.
 - ii. Business structure.
 - iii. Organization and management.
 - iv. Explanation of strategy and methods to comply with this ordinance, zoning requirements, building codes, fire safety rules, and other applicable codes.

Section 11. Process.

- A. The application for a Township Recreational Marihuana Establishment Permit shall be submitted to the Township Clerk no less than 23 days prior to the Township Board meeting in which it is to be considered.
- B. A special land use approval must be valid for the subject site. An application will not be accepted by the Township Clerk until the Township Board grants special land use and site plan approval for the subject site.
- C. Upon receiving an application, the Clerk shall review it to determine whether it is complete under the terms of this ordinance. The Clerk may review this material in conjunction with Township officials, legal counsel, and consultants. If the application is not complete, the Clerk shall inform the applicant in writing. An incomplete application is not deemed to be an officially submitted application and shall not have precedence of consideration over any other application.
- D. Upon determining that an application is complete, the Clerk shall assign a number to it, based on the order in which it was received, and arrange for it to be presented to the Township Board. Other applications, if any, may be received, but they shall be reviewed for completeness only in the order received, and, if complete, shall be considered for approval of a Township Recreational Marihuana Establishment Permit.
- E. In any monthly application window, as defined, where the Township Board receives more applications than available permits, the Township Board shall use its discretion to select the applicant(s) that are best suited to meet operate in compliance with state laws and rules and this ordinance against the following competitive ranking system:
 - 1. Applicant holds a valid Township Medical Marihuana Facility Permit for the proposed site (5 points).
 - 2. Business plan includes a schedule for communication and receiving feedback from all entities within 500 feet of the business at least once a year (5 points).
 - 3. Proposal includes the appointment of an employee as a designated liaison with the neighborhood (2 points).
 - 4. Proposal includes weekly inspection to ensure maintenance of the interior and exterior of the facility (2 points).
 - 5. Location exceeds minimum accessible parking requirements by 100% or more (2 points).
 - 6. Proposal includes documented employee safety training program (1 point).
 - 7. Proposal includes business practices relating to energy efficiency, water conservation, and materials/waste storage (3 points).
 - 8. Combined prior experience of proposed owners is more than 5 years of successful business management (1 point).
 - 9. At least one owner is a full-time resident of Almena Township (3 points).
 - 10. Business qualifies as a Disadvantaged Business Enterprise (DBE) as defined by the U.S. Department of Transportation (1 points).

11. Business promotes local hiring or provides incentives for Almena Township or Van Buren County residents (2 points).
 12. Business provides employee health benefits for all employees (2 points).
 13. Business employs more than 5 people full-time, not counting the owners (2 points).
- F. The Township Board shall approve a Township Recreational Marihuana Establishment Permit only if the application satisfies all of the following conditions:
1. The applicant has received prequalification by the state for the type of establishment proposed.
 2. The request is within the quota for the number of recreational marihuana establishments permitted by this ordinance.
 3. The recreational marihuana establishment complies with this ordinance and has received special land use approval.
 4. The applicant has demonstrated that the recreational marihuana establishment will not impact public health, safety, and welfare.
 5. In case of renewal, there have been no material violations of the Township Recreational Marihuana Establishment Permit, this ordinance, and the special land use and site plan approval.
- G. If the application is approved, the Township Board shall authorize and direct the Clerk to issue a Township Recreational marihuana establishment Permit to the applicant. The permit shall include terms and conditions consistent with this ordinance, any conditions imposed by the Township Board, and such other provisions as are relevant to the type of recreational marihuana establishment. The permit information shall be provided to the applicable state licensing boards in accordance with state laws and rules. The Township Recreational Marihuana Establishment Permit shall not be effective until state license approval.
- H. If the application is denied, the Clerk shall inform the applicant in writing, which shall include the reasons for the denial.
- I. An applicant shall have the right to appeal a permit denial in any manner provided by law.

Section 12. Renewal and Transfers.

- A. The Township Recreational Marihuana Establishment Permit shall be valid for a period not longer than one (1) year.
- B. The Township Recreational Marihuana Establishment Permit shall be renewed annually prior to the anniversary date of the original permit approval. A permit holder desiring renewal shall apply for the same by completing a Township form for such purpose.
- C. With the renewal application, the applicant shall submit either a revised site plan, if any of the elements of the previously submitted site plan have changed, or otherwise, the applicant shall submit a statement that the previous site plan remains accurate as to the

matters depicted on the previously approved plan. Major site plan changes shall be processed in accordance with the Zoning Ordinance.

- D. The Township Board shall consider the renewal application in the same manner and under the same requirements as for an original application, except that in considering the renewal, the Board may consider any violations on the part of the applicant during the previous period of the permit, and shall issue an approval, conditional approval, or denial in the same manner as Section 11 of this ordinance.
- E. The Township Recreational Marihuana Establishment Permit issued under this ordinance is not transferable. If the state rules and regulations allow the transfer of a license, such transferee shall apply for a Township Recreational Marihuana Establishment Permit upon state approval, and the Township Board shall review such application in accordance with this ordinance.
- F. Any permit for a recreational marihuana establishment issued under the previous Almena Township Marihuana Establishment Permitting Ordinance shall be renewed annually under the Almena Township Recreational Marihuana Establishment Permitting Ordinance.

Section 13. Fees. A Marihuana Establishment Fee and Marihuana Establishment Renewal Fee shall be paid by the applicant for each Township Recreational Marihuana Establishment Permit, in the amount up to \$5,000, as established by a Township Board Resolution.

Section 14. Violations and Penalties.

- A. Township may seek injunctive relief against persons alleged to be in violation of this ordinance, and such other relief as may be provided by law.

Section 15. Revocation of Permit.

- A. Revocation.
 - 1. A Township Recreational Marihuana Establishment Permit issued under this ordinance may be revoked by the Township Board for any of the following:
 - a. Fraudulent or material misrepresentation contained in the application
 - b. A pattern of violations of this ordinance or the Zoning Ordinance, after reasonable notice and opportunity to abate the violation.
 - c. Violations of state law and rules.
 - d. Revocation of state license.
 - 2. The revocation shall be in addition to the other available remedies under this Ordinance per Section 14.
- B. The Clerk shall give written notice to the permit holder of the Township Board's intent to revoke the Township Recreational Marihuana Establishment Permit. The notice shall

state the reasons for the proposed revocation. The notice shall state that the permit holder may attend a hearing before the Township Board as to the revocation to appeal the decision. At least 10 days' notice of the hearing shall be given; the notice shall state the date, time and place of the hearing. At or prior to the hearing, the permit holder may submit written comments with respect to the proposed revocation.

- C. Following the hearing, the Township Board may, by written decision, revoke the permit, elect not to revoke the permit, or impose additional terms and conditions in the permit to gaining compliance as to the matters for which revocation was considered.
- D. The revocation of a Township Recreational Marihuana Establishment Permit shall not entitle the permit holder to any refund fees paid under the terms of this ordinance.

Section 16. Severability. The provisions of this ordinance are hereby declared to be severable and if any clause, sentence, word, section or provision is declared void or unenforceable for any reason by any court of competent jurisdiction, it shall not affect any portion of this ordinance other than said part or portion thereof.

Section 17. Repeal. All ordinances or parts of ordinances in conflict herewith be and the same are hereby repealed, specifically the Almena Township Marihuana Establishment Permitting Ordinance. However, legal proceedings presently pending on an ordinance which is hereby repealed may proceed to judgment or decision and shall not be affected by this ordinance. This ordinance is not to be interpreted so as to vary the terms of or to create an inconsistency with the Almena Township Zoning Ordinance.

Section 18. Effective Date. This ordinance shall be effective 30 days after the publication of a summary of its provisions in a local newspaper of general circulation in the Township.

AYES:
NAYS:

Babik, Rickli, Kloosterman, Manning, Foman, Redmond, VanTassel

ORDINANCE DECLARED ADOPTED.

Sandra B. Rickli

Sandra Rickli

Almena Township Clerk

William A. Ventassel SUPERVISOR

I hereby certify that the foregoing is a true and complete copy of an Ordinance adopted by the Township Board of the Township of Almena at a regular meeting held on the date first stated above, and I further certify that public notice of such meeting was given as provided by law.

Sandra B. Rickli

Sandra Rickli

Almena Township Clerk

Country	1950	1955	1960	1965	1970	1975	1980	1985	1990	1995	2000	2005	2010	2015	2020	2025	2030	2035	2040	2045	2050
Japan	7.0	7.5	8.0	8.5	9.0	9.5	10.0	10.5	11.0	11.5	12.0	12.5	13.0	13.5	14.0	14.5	15.0	15.5	16.0	16.5	17.0
Germany	10.0	10.5	11.0	11.5	12.0	12.5	13.0	13.5	14.0	14.5	15.0	15.5	16.0	16.5	17.0	17.5	18.0	18.5	19.0	19.5	20.0
France	11.0	11.5	12.0	12.5	13.0	13.5	14.0	14.5	15.0	15.5	16.0	16.5	17.0	17.5	18.0	18.5	19.0	19.5	20.0	20.5	21.0
Italy	12.0	12.5	13.0	13.5	14.0	14.5	15.0	15.5	16.0	16.5	17.0	17.5	18.0	18.5	19.0	19.5	20.0	20.5	21.0	21.5	22.0
Spain	13.0	13.5	14.0	14.5	15.0	15.5	16.0	16.5	17.0	17.5	18.0	18.5	19.0	19.5	20.0	20.5	21.0	21.5	22.0	22.5	23.0
Sweden	14.0	14.5	15.0	15.5	16.0	16.5	17.0	17.5	18.0	18.5	19.0	19.5	20.0	20.5	21.0	21.5	22.0	22.5	23.0	23.5	24.0
United Kingdom	15.0	15.5	16.0	16.5	17.0	17.5	18.0	18.5	19.0	19.5	20.0	20.5	21.0	21.5	22.0	22.5	23.0	23.5	24.0	24.5	25.0
United States	16.0	16.5	17.0	17.5	18.0	18.5	19.0	19.5	20.0	20.5	21.0	21.5	22.0	22.5	23.0	23.5	24.0	24.5	25.0	25.5	26.0
Canada	17.0	17.5	18.0	18.5	19.0	19.5	20.0	20.5	21.0	21.5	22.0	22.5	23.0	23.5	24.0	24.5	25.0	25.5	26.0	26.5	27.0
Poland	18.0	18.5	19.0	19.5	20.0	20.5	21.0	21.5	22.0	22.5	23.0	23.5	24.0	24.5	25.0	25.5	26.0	26.5	27.0	27.5	28.0
China	19.0	19.5	20.0	20.5	21.0	21.5	22.0	22.5	23.0	23.5	24.0	24.5	25.0	25.5	26.0	26.5	27.0	27.5	28.0	28.5	29.0
India	20.0	20.5	21.0	21.5	22.0	22.5	23.0	23.5	24.0	24.5	25.0	25.5	26.0	26.5	27.0	27.5	28.0	28.5	29.0	29.5	30.0
Brazil	21.0	21.5	22.0	22.5	23.0	23.5	24.0	24.5	25.0	25.5	26.0	26.5	27.0	27.5	28.0	28.5	29.0	29.5	30.0	30.5	31.0
South Africa	22.0	22.5	23.0	23.5	24.0	24.5	25.0	25.5	26.0	26.5	27.0	27.5	28.0	28.5	29.0	29.5	30.0	30.5	31.0	31.5	32.0
South Korea	23.0	23.5	24.0	24.5	25.0	25.5	26.0	26.5	27.0	27.5	28.0	28.5	29.0	29.5	30.0	30.5	31.0	31.5	32.0	32.5	33.0
Belgium	24.0	24.5	25.0	25.5	26.0	26.5	27.0	27.5	28.0	28.5	29.0	29.5	30.0	30.5	31.0	31.5	32.0	32.5	33.0	33.5	34.0
Portugal	25.0	25.5	26.0	26.5	27.0	27.5	28.0	28.5	29.0	29.5	30.0	30.5	31.0	31.5	32.0	32.5	33.0	33.			

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**CITY OF CHARLOTTE
COUNCIL PROCEEDINGS**

**Workshop Meeting
August 10, 2021**

CALL TO ORDER:

By Mayor Armitage on Tuesday, August 10, 2021 at 7:01 p.m.

PRESENT:

Council members: Dyer, Baker, McRae, VanStee, Mayor Armitage, City Manager LaPere, City Clerk LaRocque

APPROVAL OF AGENDA:

Motion by Baker, second by Dyer to approve the agenda as published. Carried. Yes 5; No 0; Absent 2

EXCUSE ABSENT MEMBERS:

Councilmembers: Hoogstra and Weissenborn. Motion by Baker, Second by Dyer to approve absent members. Carried, Yes 5; No 0; Absent 2.

PUBLIC COMMENT:

Lisa Barna, Executive Director of Charlotte Rising, reported that a Mural is to be painted at 114 W. Lovett St. Local artist Michelle Henry will complete the work, a colorful abstract featuring the quote “Take time to make a stranger a friend”. Businesses and residents who may be affected by this activity have been notified and the work will be scheduled during times that will least interfere with their schedules. City Manager LaPere requested Lisa to send information that can be posted to the City’s Facebook page.

DISCUSSION ITEM:

A. Rental Registration Program

Consider Ordinance 2021-09 Amending Chapter 14, Article III to establish a rental registration and inspection program

THE CITY OF CHARLOTTE ORDAINS

SECTION 1. ESTABLISHING A RENTAL REGISTRATION AND INSPECTION PROGRAM. Chapter 14, *ARTICLE III RESERVED*, Title and Sections listed below shall hereby be amended.

Article III – Rental Dwelling Registration

ARTICLE III RENTAL DWELLING REGISTRATION

Section 14-56 - Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Building inspector means the official who is charged with the administration and enforcement of this Code, or any duly authorized representative by the city manager.

Hotel, motel, boardinghouse, rooming house mean a building held out to the public as a place for lodging for a nightly, weekly or monthly rate, including bed and breakfasts.

Occupant includes all tenants, lessees and persons residing within a rental dwelling or rental unit.

Owner means any person, firm, corporation or other legal entity having a legal or equitable interest in the premises. If more than one person or entity owns the subject real property or if more than one person or entity is a land contract vendee of the subject real property, property owner refers to each person or entity holding any portion of that interest in the property, and the property owners' obligations in this article are joint and several as to each property owner.

Owner's representative means a person or representative of a corporation, partnership, firm, joint venture, trust, association, organization or other entity designated by the owner of the premises as responsible for operating such property in compliance with all the provisions of the city's ordinances.

Rental building or structure means any building containing one or more rental units.

Rental unit means any portion of a rental building in the city that contains living facilities, including provisions for sleeping, eating, cooking, and sanitation, which is occupied by a person other than a property owner or the parents or children of a property owner. The definition of rental unit includes a single-family dwelling, or a unit in a multifamily or multipurpose dwelling, or a unit in a condominium or cooperative housing project, or any room or group of rooms located within a dwelling and forming a single unit with facilities that are used or intended to be used for living, sleeping, cooking or eating.

Sec. 14-57. - Purpose of standards.

The city recognizes a compelling interest in establishing standards for the maintenance of sanitary and safe residential rental structures in the city as an important factor for the general health, safety and

welfare of all of its citizens. This article is designed to promote the continued maintenance of quality and safe rental properties and to enhance and maintain property values by adopting legislation which will be applicable to all rental housing units.

Sec. 14-58. - Applicability; exclusions

This article shall apply to any rental dwelling unit, or part thereof, which is occupied by persons pursuant to any oral or written rental or lease agreement or other valuable compensation. Such dwelling shall include, but not be limited to, single-family dwellings, multiple-family dwellings, rooming houses and boarding houses. No person shall lease or rent a rental dwelling unit unless they have registered their property.

This article does not apply to jails, hospitals, nursing homes, convalescent homes, foster homes or temporary group shelters provided by legal nonprofit agencies which are inspected, certified and/or licensed by the state.

Sec. 14-59. - Registration.

Compliance required. All rental dwelling unit owners in District 1 are required to register their rental dwelling units within 90 days of the effective date of this ordinance, and every two (2) years or biennially, thereafter. All rental dwelling unit owners in District 2 are required to register their rental dwelling units between 90-180 days of the effective date of this ordinance, and every two years, or biennially, thereafter. All rental dwelling unit owners must abide by the registration process and procedures of this article and shall comply with the following:

1. All existing rental dwelling unit's property shall be registered within one hundred eighty (180) days of the effective date of the ordinance.
2. All newly constructed rental dwelling units shall be registered prior to any use or occupancy as a rental dwelling unit and every two (2) years thereafter.
3. A new owner shall register a rental dwelling unit, which is sold, transferred or conveyed, within thirty (30) days of the date of the closing of such sale. Any existing registration shall be transferred to the new owner and shall be valid until its expiration or revocation for noncompliance with city codes and ordinances.
4. All existing nonrental dwelling units, which are converted to rental dwelling units, shall be registered prior to the date on which the property is first occupied for rental purposes and every two (2) years thereafter. Failure to comply will result in penalties as described in this article or by resolution.

Applications for registration shall be made in such form and in accordance with such instructions as may be provided by the building inspector designated by the city manager and shall include at least the following information:

- a. The name, address and telephone number of the owner (no post office box shall be accepted).
- b. The name, address and telephone number of the owner's representative or responsible local agent, if the rental property owner has opted to appoint a representative.
- c. The authorization appointing a local agent, signed by both the owner and the local agent, is designated.
- d. The address of the rental unit.

- e. The number of dwelling or rooming units in each building on the premises

Upon registration, the owner shall be responsible for notifying the building inspector of any change of address of either the owner or owner's representative. Renewal registration shall require a satisfactory inspection being completed.

In the event of a transfer of ownership, the registration shall become invalid. Any new owner shall register within ten days of the date of transfer. Every person holding such registration shall notify the building inspector in writing within ten days after having sold, transferred or otherwise changed the ownership of such rental unit.

Fee. At the time of registration of the dwelling unit, there will be a prescribed fee, as adopted by resolution. Any unpaid registration fees shall become a lien on the property immediately and collected as an assessment pursuant to city ordinance. An owner shall not have a property as a rental dwelling unless it has registered with the city.

Section 14-60. - Inspections.

The City employee assigned to inspect a particular rental unit shall give confirmation notice, by first class mail, to the local agent and the tenant within seven days of the scheduled inspection. The landlord, the tenant and the agent shall permit the inspection by the City inspector. The City inspector shall advise the landlord, tenant and/or agent, at the time of the inspection, that the landlord, tenant and/or agent shall have the right to refuse entry if the inspector does not have a search warrant. The City inspector shall also advise the landlord, tenant and/or agent that, if the inspection is refused, an administrative search warrant will be sought. If the landlord, tenant and/or agent refuses to permit a scheduled inspection, the inspector

may, through the City Attorney, seek an administrative search warrant to conduct the inspection.

The City inspector may, at the request of the landlord, the tenant or the agent, inspect the property. If the inspector is invited to inspect the property, no notice shall be required to be given.

A reinspection notification shall be given by first class mail or by telephone within seven days of the scheduled reinspection.

Sec. 14-61. - Responsible Local Agent.

At the discretion of the property owner, a responsible local agent may be designated. The responsible local agent shall be a person or representative of a corporation, partnership, firm, joint venture, trust, association, organization or other entity, having his place of residence in the county, and shall be designated by the owner of the premises as responsible for operating such property in compliance with all the provisions of this Code. All official notices of the city may be served on the responsible local agent, and any notice so served shall be deemed to have been served upon the owner of record.

Sec. 14-62. - Certificate of Compliance.

No person shall operate, lease, rent or occupy a rental unit unless there is a valid certificate of compliance issued by the building inspector in the name of the operator and issued for the specific rental unit. The certificate shall be issued for each building containing a rental unit and shall be displayed in a conspicuous place. The certificate shall be issued after registration with the city and after inspection by the building inspector and shall state that the unit or units inspected comply with the provisions of this Code and state law. A certificate of compliance is valid for a period of two years from its date of issuance and must be renewed in conformity
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with the registration provisions of this article. The name, address and telephone number of the property owner or the designated responsible local agent shall be posted on the certificate of compliance.

Sec. 14-63. - Requirements for Issuance, Revocation of Certificate.

The building inspector shall not issue a certificate of compliance unless a current housing registration is in effect, the responsible local agent is properly designated, any fees for registration plus penalties are paid in full, and inspection of each unit has determined that compliance has been secured with the minimum standards and other provisions of this Code.

The building inspector may, after inspection, issue a certificate of compliance for all units in a multiple unit dwelling. The Building inspector may also, after inspection, issue a certificate of compliance for a portion, but not all, of the units in a multiple unit dwelling. If the certificate of compliance is not issued for all units in a multiple unit dwelling, it shall be a partial certificate of compliance, and noncomplying units may not be operated, leased, rented or allowed to be occupied. Owners of noncomplying units and multiple unit dwellings may appeal the decision of the Building Inspector through the procedures listed in section 14-XX. For the purposes of this subsection, multiple unit dwellings shall include all hotels, motels, boarding houses, rooming houses, two-family dwelling units and multiple unit dwellings.

Whenever the building inspector finds that the operator of any rental unit has failed to comply with a notice of violation or compliance order issued pursuant to this Code, the certificate of compliance may be revoked.

Upon revocation of a certificate of compliance and/or a determination by the housing and building board of appeals that a rental unit is unfit for human habitation, the owner or operator of the unit shall immediately vacate the unit; and no person shall thereafter occupy for sleeping or living purposes the unit until the unit is in compliance with this article.

Sec. 14-64. - Applicable standards.

The standards used to determine rental property and dwelling unit compliance with city codes and ordinances shall be the International Property Maintenance Code, as adopted and amended by the city council.

Sec. 14-65. - Noncompliance with code.

The building inspector may enter rental dwelling units under any of the following circumstances:

1. After the registration of the rental dwelling unit which shows the possibility of not complying with local or state law.
2. Upon receipt of a written complaint from an owner, owner's representative or occupant that the premises is in violation of this article.
3. Upon receipt of a report or referral from the police department, fire department, public or private school, or another public agency, or a failure to comply with this article.
4. Upon evidence of an existing ordinance violation observed by the building inspector.

5. At the request of the owner to determine compliance with the International Property Maintenance Code.
6. If the proposed rental dwelling unit is being converted from a single-family home, the building inspector shall evaluate the property for public safety violations before first occupied for rental purposes.

The building inspector may make an appointment with the owner or owner's representative of the rental dwelling unit. The owner or owner's representative must give the building inspector at least twenty-four (24) hours' notice when changing the scheduled appointment with an alternative date and time. The building inspector shall issue a written report noting any violations of this article or any other provision of the city's ordinances and shall provide a copy of the report to the owner or owner's representative. The building inspector shall direct the owner or owner's representative to correct violations within the time set forth in the report. A reasonable time for correcting violations shall be determined by the building inspector in light of the nature of the violations and all relevant circumstances, which shall not exceed sixty (60) days, unless correction of the violation within a 60-day period is impossible due to seasonal considerations. Upon request of the person responsible for correcting violations, the building inspector may extend the time for correcting violations, but not to exceed an additional thirty (30) days.

The building inspector may charge a nominal fee that equals the actual administrative cost to enter premises as established by resolution. If the building inspector determines that a complaint was filed without a factual basis and with malice, a fee may be charged to the complainant.

Sec. 14-66. - Fees.

Fees for registration of rental units and penalties shall be established by resolution of Council. The fee schedule shall be available to the public from the city clerk. Any unpaid inspection fees shall become a lien on the property and collected as provided by law.

Reinspection fees for violations shall be assessed after the original inspection and one reinspection. There will be no exceptions or extensions for immediate health, safety and life threatening violations. Following is a list of reasons that a reinspection fee may be charged: failure to appear for inspection; failure to comply with violation notices; and failure to permit inspection.

Inspection fees shall be set by resolution of the City Council. Such fees may be changed from time to time by resolution of Council.

Sec. 14-67. - Violations.

If the owner or owner's representative does not correct a violation of any provision of this article, the building inspector may bring an action to seek the enforcement of this article by an appropriate legal remedy. Any structure not in compliance with this article is deemed a nuisance.

Any owner or owner's representative of a rental dwelling unit who violates any section of this article for the first offense shall be responsible for a municipal civil infraction as provided for in this Code with the fines as stated in subsection (a) below.

- a. The fines for municipal civil infractions for violating this article shall be: Two hundred dollars (\$200.00) per occurrence for the first offense; four hundred dollars (\$400.00) for a second offense if it occurs within two (2) years of the prior offense even if it occurs

at the same time as the prior offense. Each day that a violation continues shall be a separate offense.

The building inspector, building official, code enforcement officer and any other person designated by the city manager are hereby designated as the authorized individuals to issue municipal civil infraction citations for violations of this article.

In addition to any penalties imposed by law, a finding of responsibility by the court for a violation of this article, the city shall be entitled to immediately revoke any existing certificate of compliance and shall entitle the city to seek the issuance of a court order compelling the eviction of all persons and property upon the premises until a certificate of compliance is issued by the city.

An owner or owner's representative may be charged with more than one (1) violation of the provisions of this article in a single complaint or municipal civil infraction, provided that each violation so charged relates to the same property.

Sec. 14-68. - Appeals.

Any person whose registration to rent or lease a dwelling or to operate a rental unit has been denied, or whose certificate of compliance has been revoked, may appeal to the City Council.

Sec. 14-69 through 14-85. - Reserved.

SECTION 2. EFFECTIVE DATE. This ordinance shall become effective 20 days after publication.

Memo submitted by Manager LaPere as copied below:

A revised copy of ordinance language to establish a rental registration program was submitted for Council's review. This language has been reviewed by Attorney Hitch and some modifications have been made since the first reading. Notably, the exclusion of temporary housing which is already subject to state or similar licensing, such as hotels. As stated in the purpose section, the reason for the standards is to maintain safe and sanitary residential rental structures in the city. Hotels and similar are typically not considered residential uses of property and therefore did not fit in with the intent of these regulations.

Per the Assessor there are approximately 1,492 residential rental units in Charlotte. This number includes multi-family homes, traditional apartment buildings, and rental apartments above stores in the downtown business district. He also identified over 550 homes which are not exempt from principal residence exemption, which may be rental properties. In total, rental dwelling units represent approximately 46% of the housing stock in Charlotte.

These properties are owned by a variety of entities including corporate-managed apartment complexes, individuals who live in town and own one or more rental properties, business owners who lease out apartment units above their commercial sites, and individuals who live out of town and own one or more rental properties. Ensuring all residential units comply with the adopted International Property Maintenance Code is important to ensuring safe housing throughout the city and this ordinance will make a significant impact given the percentage of housing that is occupied by tenants. Additionally, maintaining base standards for properties that are being utilized as income-generating opportunities ensures a level playing field for the business owners.

Establishment of this ordinance would necessitate a designated rental inspector. This could be accomplished with hiring a Code Enforcement/Rental Inspector. The Council has expressed a desire to hire an established code enforcement officer and revenues generated for a rental registration program could offset the costs. I am working with the current staff to determine how to best administer this program, from the clerical tasks associated with notices and letters, to processing payments and applications, to scheduling and conducting applications, along with following up on non-compliance matters. Additionally, I am working with the Assessor to further categorize the types of rental units to formulate a suggested fee schedule to accurately predict revenues. Some base calculations show this program could generate sufficient revenues to hire someone to work 25-30 hours per week. Additional considerations for costs that need to be considered include vehicle and other equipment such as a cell phone.

Council discussed the impact on administration to implement this program. Hiring an enforcement officer, salary, equipment, vehicle, numerous clerical tasks that ensue, and what department it would come under. Also discussed with the fee schedule and the need to ensure fees covered administrative costs. More data is required from the assessor to develop a fee schedule.

Council also discussed the language and explored topics about the scope of properties to be inspected and what is excluded, the impact this may have on rental tenants.

Council discussed the need to inform residents, utilizing the City Facebook page, The County Journal, Website posting, Notice of Hearing and public discussion at regular Council meetings. Also, mailings and notices on water bills could be used.

Clean final copy will be ready for Monday, August 16th regular

Council meeting. Attorney Hitch is requested to be present and available for questions.

No further questions, moving onto the next topic,

a. Marijuana Regulations

Memo provided by City Manager LaPere as noted below:

At the workshop meeting held in July, discussion began on whether to amend City Ordinance to allow for commercial marihuana activities. Council asked for additional feedback from neighboring communities who had implemented licensing programs. Community Development Director Myrkle reached out to representatives from a few neighboring communities about their experiences with permitting marihuana, including Niles, Webberville, Ionia, Portage, Chesaning, Owosso, and Bangor.

The conversations revealed a pretty wide range of experience when it comes to administration. Some are managing their programs completely in-house, while others are using a professional planning service to administer the programs. Nevertheless, there are some common thoughts and experiences that he was able to identify. The most commonly expressed sentiment was that the program is very manageable once you get past the initial phases; but that it is very challenging and time-consuming for the first 6 months or so, and that we should expect that effort to be the primary focus of our attention during that time.

Start-up

In most cases, setting-up the programs initially was reported as the most labor-intensive part of the experience. However, once this start-up period was over, the workload returned to a manageable

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level. While the communities are reasonably similar in size, the number of people involved in managing the initial set-up ranged from as few as one, to as many as 6. Vetting applications and determining who would receive licenses was a big challenge for many of these cities. For example, one community reported limiting the number of licenses to 6, yet receiving more than 100 applications, which all had to be vetted for eligibility and scoring. This work had to be performed and reviewed by more than one person to maintain the integrity of the process and ensure fairness and accuracy. It should be noted, that under the statute, Section 333.27959, if the city limited number of licenses is exceeded by the number of qualified applicants received by the state for a license, it is the responsibility of the city to decide by a competitive process to select applicants who are best suited to operate in compliance with the act.

In some cases, marijuana businesses are operating under multiple licenses (growing, transporting, retailing, etc.) and so a single business application may have to be reviewed multiple times which may be confusing and difficult to keep straight. Some have chosen licensees based on a local criterion scoring process, and others have used a lottery system.

Once licensees are chosen, there are additional rules regarding marijuana operations often included in both site plan review and special use permitting that make this process somewhat more complicated than more traditional business development. This could be considered the second-stage of the start-up process.

Two communities reported feeling 'overmatched' by the knowledge and expertise of the individual businesses and their legal representation, which challenged city decisions and processes,

greatly complicating their efforts and introducing a level of doubt and confusion both within the City and in the eyes of the public. One said this made it one of the worst things they had ever worked on.

Most of the communities are managing the program through their general administrative office, the planning and zoning department, or the community development department. One was managing it entirely through the police department. Some used a combination of staff during start-up, and then a single department or staff person once it is up-and-running.

No one reported having to hire additional staff dedicated to the marijuana program, but most had to divert staff time and resources during the set-up period, i.e. take people off other work for a period of time. Two communities instead hired outside consultants and paid for that work with the licensing fees.

Long-term

A couple communities did not limit the number of potential licensees and reported that as a mistake that they regret. They said that the interest in this business sector is so high that they reached a saturation point very quickly and that the number of local marijuana businesses has grown beyond a sustainable number.

Most of the communities contacted by Mr. Myrkle are limiting the number of retail licenses to 4-6, but not limiting the number of grow operations at all. However, many other communities in Michigan do limit the number of grow operations. Charlotte will want to carefully consider its unique desires and needs for the community as well as its current and future zoning maps to determine whether

limits to grow operations will make sense for the community. Most communities are using zoning classifications tied to license types to regulate the geographic location of the businesses. Included as an attachment for Council is a copy of the most recent Zoning Map. It should be noted there have been rezoning approvals recently which have not been updated on this map but it provides a basis for discussion.

Financial Impacts

To the extent that they were able to answer the question, or have been doing it long enough to know, communities felt that the revenue they have received had exceeded their expenses. However, all communities did include retail operations which offer excise tax revenue sharing that would not be eligible for grow only licenses. If Charlotte were to only pursue grow operations, it could only collect the \$5,000 annual fee for licensing. This would provide a consistent revenue to defray the costs of administering this program; however, it would limit the revenue to only that annual fee. The first year, we could expect a higher revenue as the number of applicants would be expected to level off if other communities' experiences are repeated here. The excise taxes are only applicable on the provisioning centers (medical) and retail operations (adult-use) and any revenue sharing would be limited based on those licenses. If Charlotte were to consider allowing even one retail license, it would result in additional revenues. This year, it would be slightly over \$28,000, which is over five times the annual application fee for that one license.

Community Input Considerations

Council may consider whether to solicit community feedback on this issue. Specifically, it could conduct some town hall meetings, surveys (online or paper), or even Facebook polls to

gauge the general public's interest. There are limitations to any community feedback, including accuracy and respondent biases, as well as financial costs that vary based on the type of feedback considered. Certainly, the proposal of whether to allow any, or certain types, of licenses could be placed on the ballot. However, the next regular election at which this matter could be placed on the ballot would be in two-years' time. Administration has continued to receive interest from the business community interested in investing in these types of operations in the city. I would recommend any community input be broadly based on the topic and types of licenses the residents would like to see allowed versus specific regulations given the prescriptive requirements imposed by the various statutes and state-issued rules.

Council discussed the need to consider whether to focus on Grow or Retail facilities. The need for community input would be important. Council discussed the concern of a timeline if they were to consider having this ordinance ready to adopt before the November 2 election and the issue that trying to pursue such an aggressive plan may be difficult on administrative staff considering the previously discussed Rental Inspection Ordinance would be newly implemented. The proposal would need to go through the Planning Commission process to consider site plans and zoning changes. A time-line crunch would be an issue if the November 2 dead-line were to be reached. It was discussed that the process continues without the expectation the final decision would be presented to this Council, but likely the next.

PUBLIC COMMENTS:

Anthony Rodriguez, a City resident posed several questions inquiring how often inspections would occur, what the salary would be for an enforcement officer, would the enforcement officer serve also as an inspector, would a reward for compliance be considered,

City Council Minutes 7-13-2021 Page 10 of 10

for example, the property owner had 3 years of compliance, they would then qualify for less inspections, if, per-se, the inspection schedule was a yearly event. LaPere responded to Rodriguez.

MAYOR AND COUNCIL COMMENTS:

No further comments. Armitage noted next meeting August 16, 2021 at 7:00 p.m., a public hearing will be made regarding the Rental Inspection ordinance. Work Session in November will be cancelled and the Organizational Meeting for new Council will be scheduled for the Monday following the election in accordance with the City Charter.

ADJOURNMENT:

Motion by Baker, seconded by Dyer to adjourn the meeting at 9:42 p.m. Carried. Yes 5; No 0, Absent 2

Mayor Armitage

Mary LaRocque, City Clerk



Memo

Date: August 6, 2021
To: Honorable Mayor Armitage; City Council
From: Erin LaPere, City Manager
Re: Commercial Marihuana Activities

At the workshop meeting held in July, discussion began on whether to amend City Ordinance to allow for commercial marihuana activities. Council asked for additional feedback from neighboring communities who had implemented licensing programs. Community Development Director Myrkle reached out to representatives from a few neighboring communities about their experiences with permitting marihuana, including Niles, Webberville, Ionia, Portage, Chesaning, Owosso, and Bangor.

The conversations revealed a pretty wide range of experience when it comes to administration. Some are managing their programs completely in-house, while others are using a professional planning service to administer the programs. Nevertheless, there are some common thoughts and experiences that he was able to identify. The most commonly expressed sentiment was that the program is very manageable once you get past the initial phases; but that it is very challenging and time-consuming for the first 6 months or so, and that we should expect that effort to be the primary focus of our attention during that time.

Start-up

In most cases, setting-up the programs initially was reported as the most labor-intensive part of the experience. However, once this start-up period was over, the workload returned to a manageable level. While the communities are reasonably similar in size, the number of people involved in managing the initial set-up ranged from as few as one, to as many as 6. Vetting applications and determining who would receive licenses was a big challenge for many of these cities. For example, one community reported limiting the number of licenses to 6, yet receiving more than 100 applications, which all had to be vetted for eligibility and scoring. This work had to be performed and reviewed by more than one person to maintain the integrity of the process and ensure fairness and accuracy. It should be noted, that under the statute, Section 333.27959, if the city limited number of licenses is exceeded by the number of qualified applicants received by the state for a license, it is the responsibility of the city to decide by a competitive process to select applicants who are best suited to operate in compliance with the act.

In some cases, marijuana businesses are operating under multiple licenses (growing, transporting, retailing, etc.) and so a single business application may have to be reviewed multiple times which may be confusing and difficult to keep straight. Some have chosen licensees based on a local criterion scoring process, and others have used a lottery system.

Once licensees are chosen, there are additional rules regarding marijuana operations often included in both site plan review and special use permitting that make this process somewhat more complicated than more traditional business development. This could be considered the second-stage of the start-up process.

Two communities reported feeling 'overmatched' by the knowledge and expertise of the individual businesses and their legal representation, which challenged city decisions and processes, greatly complicating their efforts and introducing a level of doubt and confusion both within the City and in the eyes of the public. One said this made it one of the worst things they had ever worked-on.

Most of the communities are managing the program through their general administrative office, the planning and zoning department, or the community development department. One was managing it entirely through the police department. Some used a combination of staff during start-up, and then a single department or staff person once it is up-and-running.

No one reported having to hire additional staff dedicated to the marijuana program, but most had to divert staff time and resources during the set-up period, i.e. take people off other work for a period of time. Two communities instead hired outside consultants and paid for that work with the licensing fees.

Long-term

A couple communities did not limit the number of potential licensees and reported that as a mistake that they regret. They said that the interest in this business sector is so high that they reached a saturation point very quickly and that the number of local marijuana businesses has grown beyond a sustainable number.

Most of the communities contacted by Mr. Myrkle are limiting the number of retail licenses to 4-6, but not limiting the number of grow operations at all. However, many other communities in Michigan do limit the number of grow operations. Charlotte will want to carefully consider its unique desires and needs for the community as well as its current and future zoning maps to determine whether limits to grow operations will make sense for the community. Most communities are using zoning classifications tied to license types to regulate the geographic location of the businesses. Included as an attachment for Council is a copy of the most recent Zoning Map. It should be noted there have been rezoning approvals recently which have not been updated on this map but it provides a basis for discussion.

Financial Impacts

To the extent that they were able to answer the question, or have been doing it long enough to know, communities felt that the revenue they have received had exceeded their expenses. However, all communities did include retail operations which offer excise tax revenue sharing that would not be eligible for grow only

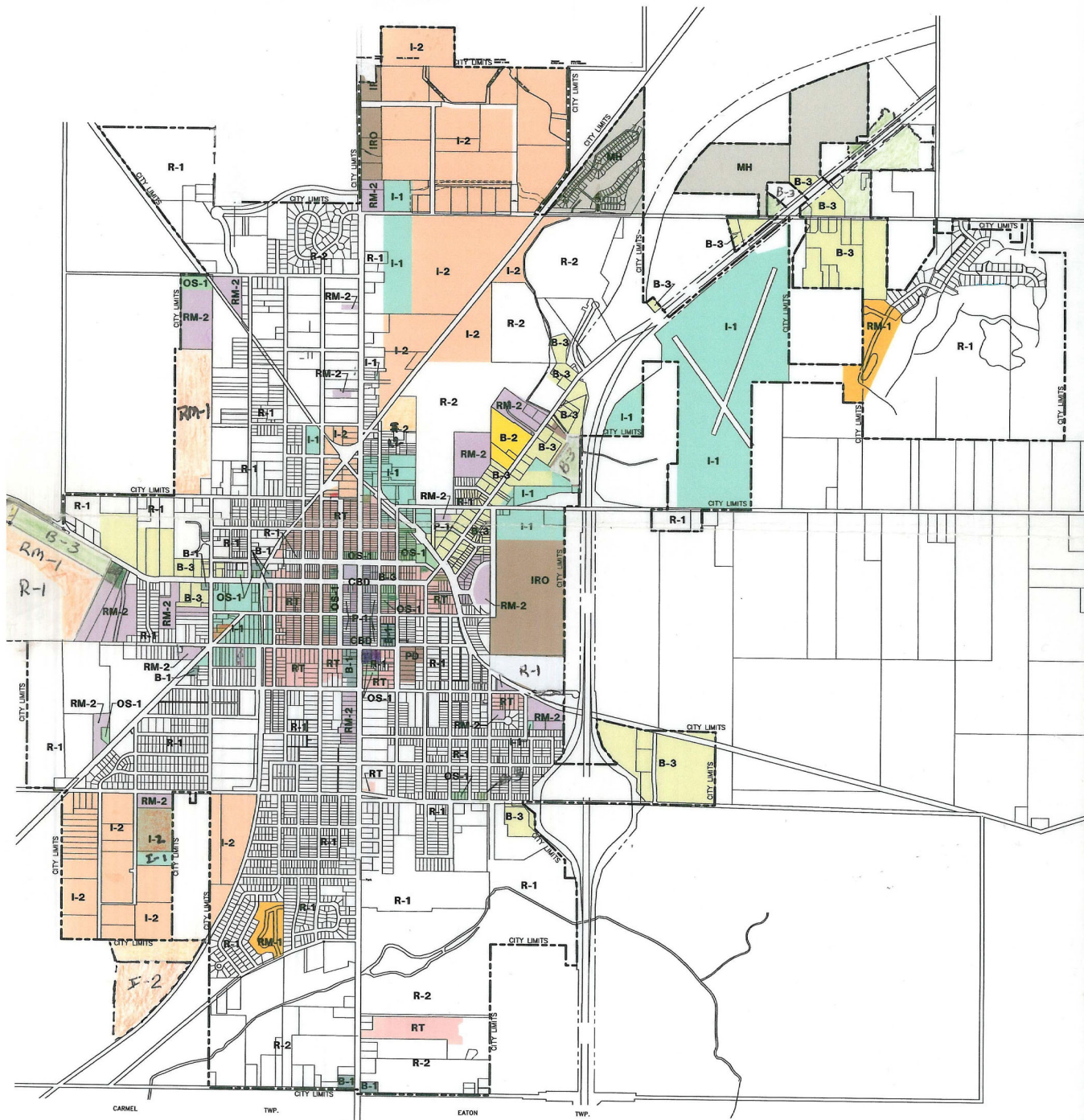
licenses. If Charlotte were to only pursue grow operations, it could only collect the \$5,000 annual fee for licensing. This would provide a consistent revenue to defray the costs of administering this program; however, it would limit the revenue to only that annual fee. The first year, we could expect a higher revenue as the number of applicants would be expected to level off if other communities' experiences are repeated here. The excise taxes are only applicable on the provisioning centers (medical) and retail operations (adult-use) and any revenue sharing would be limited based on those licenses. If Charlotte were to consider allowing even one retail license, it would result in additional revenues. This year, it would be slightly over \$28,000, which is over five times the annual application fee for that one license.

Community Input Considerations

Council may consider whether to solicit community feedback on this issue. Specifically, it could conduct some town hall meetings, surveys (online or paper), or even Facebook polls to gauge the general public's interest. There are limitations to any community feedback, including accuracy and respondent biases, as well as financial costs that vary based on the type of feedback considered. Certainly, the proposal of whether to allow any, or certain types, of licenses could be placed on the ballot. However, the next regular election at which this matter could be placed on the ballot would be in two-years' time. Administration has continued to receive interest from the business community interested in investing in these types of operations in the city. I would recommend any community input be broadly based on the topic and types of licenses the residents would like to see allowed versus specific regulations given the prescriptive requirements imposed by the various statutes and state-issued rules.

eel

attachment



- | | | |
|---|---|---|
| <ul style="list-style-type: none"> R-1 ONE-FAMILY RESIDENTIAL DISTRICT R-2 ONE-FAMILY RESIDENTIAL DISTRICT RT TWO-FAMILY RESIDENTIAL DISTRICT RM-1 MULTIPLE-FAMILY RESIDENTIAL DISTRICT RM-2 MULTIPLE-FAMILY RESIDENTIAL DISTRICT MH MOBILE HOME RESIDENTIAL DISTRICT | <ul style="list-style-type: none"> OS-1 OFFICE-SERVICE DISTRICT B-1 LOCAL BUSINESS DISTRICT B-2 COMMUNITY BUSINESS DISTRICT B-3 GENERAL BUSINESS DISTRICT CBD CENTRAL BUSINESS DISTRICT C CONSERVANCY | <ul style="list-style-type: none"> IRO INDUSTRIAL RESEARCH OFFICE DISTRICT I-1 LIGHT INDUSTRIAL DISTRICT I-2 GENERAL INDUSTRIAL DISTRICT P-1 VEHICULAR PARKING DISTRICT PD PLANNED DEVELOPMENT DISTRICT |
|---|---|---|



ZONING MAP

CITY OF CHARLOTTE
EATON COUNTY, MICHIGAN



735 Proctor Street
Lansing, Michigan 48206
(313) 371-1300
131 West Main Street, Suite 200
Grand Rapids, Michigan 49503
(616) 725-8100
4325 West Lake Road, Suite 200
Grand Rapids, Michigan 49541
(616) 781-0885

REVISIONS

DATE	SCALE: 1"=600'

PROJ. NO.: 06590
DATE: 1/2007

**CITY OF CHARLOTTE
COUNCIL PROCEEDINGS**

**Workshop Meeting
September 14, 2021**

CALL TO ORDER:

By Mayor Armitage on Tuesday, September 14, 2021 at 7:04 p.m.

PRESENT:

Hoogstra, Weissenborn, Dyer, Baker, VanStee, Armitage, City Manager LaPere, City Clerk LaRocque

APPROVAL OF AGENDA:

Motion by Baker, supported by VanStee to approve the agenda as published. Yea 6; Nay 0; Absent 1, Motion carried.

EXCUSE ABSENT MEMBERS:

McRae. Motion by Hoogstra, supported by Dyer to approve absent members. Yea 6; Nay 0; Absent 1, Motion carried.

PUBLIC COMMENT:

No comments given.

DISCUSSION ITEMS:

1. Water Shut off

Council asked Manager LaPere to write up a first reading resolution for the Sept. 10, 2021 regular council meeting.

2. Marijuana Regulations

Council decided to table discussions as the next elected council will decide this issue and they would like to see it presented on a ballot proposal for a vote of the people.

PUBLIC COMMENTS:

Christopher Lake on Cambridge Dr. made a comment on the water shut off fees.

MAYOR AND COUNCIL COMMENTS:

ADJOURNMENT:

Motion by Dyer, supported by Weissenborn to adjourn the meeting at 9:13 p.m. Yea 6; Nay 0; Absent 1, Motion carried.

Mayor Armitage

Mary LaRocque, City Clerk



Memo

Date: September 10, 2021
To: Honorable Mayor Armitage; City Council
From: Erin LaPere, City Manager
Re: Discussion on an ordinance amendment to allow commercial marihuana grow operations

The City has begun drafting language for ordinance amendments to permit commercial marihuana grow operations as permitted under state law. Council, with input from the Planning Commission, will have to determine whether such allowance should be granted to both medical and recreational grow operations, or both; the appropriate number of such licenses to be permitted; locations for such licensed operations; and criteria to be used for selection of applicants. We should also consider if transfers will be allowable, criteria for renewal applications, and process for revocation, should that be necessary.

Administration is recommending the following:

- Both medical and recreational grow operations be permitted
- Total grow operations be limited to a maximum of 6 licenses, medical and recreational combined
- Licenses be permitted as a special land use within the Industrial (I-1 and I-2) Zone Districts.
- The city utilize a ranked scoring if it receives more complete applications than licenses available
 - o Within the designated submittal time for Council approval, the complete applications received will be ranked with points for the following:
 - Business plan includes schedule for communication/feedback from entities within 500 feet at least once/year.
 - Proposal designates an employee liaison for the neighborhood
 - Documented employee safety training program
 - Business practices related to energy efficiency, water conservation, and materials waste/storage
 - Combined prior experience of 5+ years successful business management
 - At least 1 owner or minimum 25% ownership stake of full-time resident of Charlotte
 - Business plan promotes local hiring or incentives for City of Charlotte or Eaton County residents

- Business provides health benefits for all employees
 - Business employs more than 5 full time employees, not including owners
- Transfers may not be permitted and proposed transfers will be reviewed in accordance with the ordinances as an original application.
- Renewals be considered in the same manner as original applications, with any proposed site plan changes submitted and reviewed concurrently. Renewals will also be considered in light of any violations on the part of the applicant in the prior permit period.
- Revocation should be outlined for misrepresentation of materials in application, a pattern of violations of the ordinance, violation of state law or rules, or revocation of a state license.

In addition, we will want to consider any additional conditional land use approval requirements that we may seek to impose to limit the impacts to the surrounding neighborhood by the allowance of this use. Currently, the Zoning Ordinance requires the following for all special or conditional land uses:

(E) *Hearings; matters to be considered.* In making any recommendations or approvals on special land uses, conditional uses, planned residential districts, site plans or other matters authorized by law, the Planning Commission and the City Council, where its approval is also required, shall consider and apply the following standards.

- (1) Whether or not the use involved is consistent with and promotes the intent and purpose of this chapter.
- (2) Whether or not the use involved is compatible with adjacent uses of land, the natural environment, and the capacities of public services and facilities affected by the land use.
- (3) Whether or not the use involved is consistent with the public health, safety and welfare of the city.

(F) *Conditions for approval.*

(1) Reasonable conditions may be required in conjunction with the approval of a special land use, conditional use, planned residential district or other land uses or activities permitted by discretionary decision. The conditions may include conditions necessary to insure that public services and facilities affected by a proposed land use or activity will be capable of accommodating increased service and facility loads caused by the land use or activity, to protect the natural environment and conserve natural resources and energy, to insure compatibility with adjacent uses of land, and to promote the use of land in a socially and economically desirable manner. Conditions imposed shall do all of the following:

- (a) Be designed to protect natural resources, and the health, safety and welfare, as well as the social and economic well-being of those who will use the land use or activity under consideration, residents and landowners immediately adjacent to the proposed land use or activity, and the community as a whole;
- (b) Be related to the valid exercise of the policy, power and purposes which are affected by the proposed use or activity;
- (c) Be necessary to meet the intent and purpose of the zoning regulations; be related to the standards established in this chapter for the land use or activity under consideration; and be necessary to insure compliance with those standards.

(2) The conditions imposed with respect to the approval of a land use or activity shall be recorded in the record of the approval action and shall remain unchanged except upon the mutual consent of the approving authority and the landowner. The approving authority shall maintain a record of changes granted in conditions.

Administration is preparing draft ordinance language detailing those provisions as outlined for Council to review and discuss further on Tuesday night.

eel

Introduced:
Adopted:
Effective:

CITY OF CHARLOTTE
ORDINANCE NO. 2021-xx

AN ORDINANCE TO AMEND CHAPTER 82 ZONING
ORDINANCE, ARTICLE I. IN GENERAL, ARTICLE XVII. I-1
LIGHT INDUSTRIAL DISTRICT, AND ARTICLE XVIII. I-2
GENERAL INDUSTRIAL DISTRICT TO REGULATE
COMMERCIAL MARIHUANA ESTABLISHMENTS

Councilmember _____ moved that the following ordinance be passed to a second reading:

THE CITY OF CHARLOTTE ORDAINS:

SECTION 1. Chapter 82, Zoning Ordinance, shall hereby be amended as follows.

SECTION 2.

Article I., Section 82-4, Definitions. Section 82-4 of the City of Charlotte Zoning Ordinance shall be amended to include the following definitions, in alphabetical order:

Marihuana Establishment. A marihuana grower, marihuana microbusiness, marihuana processor, marihuana retailer, marihuana safety compliance facility, marihuana secure transporter, or any other type of marihuana-related business licensed by the Michigan Department of Licensing and Regulatory Affairs under the Medical Marihuana Facilities Licensing Act or the Michigan Regulation and Taxation of Marihuana Act.

Marihuana Grower. A marihuana establishment that cultivates marihuana and sells or otherwise transfers marihuana to marihuana establishments.

Marihuana Microbusiness. A marihuana establishment that cultivates no more than 150 marihuana plants; processes and packages marihuana; and sells or otherwise transfers marihuana to individuals who are 21 years of age or older or to marihuana safety compliance facilities, but not to other marihuana establishments.

Marihuana Processor. A marihuana establishment that obtains marihuana from marihuana establishments; processes and packages marihuana; and sells or otherwise transfers marihuana to marihuana establishments.

Commented [EL1]: One suggestion – and it can be part of the bigger review on home occupations or this, but we should add some stipulations on primary caregiver activities as a home occupation.

Marihuana Retailer. A marihuana establishment that sells or otherwise transfers marihuana to marihuana establishments and to individuals who are 21 years of age or older.

Marihuana Safety Compliance Facility. A marihuana establishment that tests marihuana, including certification for potency and the presence of contaminants.

Marihuana Secure Transporter Facility. A marihuana establishment that obtains marihuana from marihuana establishments in order to transport marihuana to other marihuana establishments.

Article XVII. I-1 Light Industrial District, Section 82-358 Conditional Uses. Section 82-358 Conditional Uses is amended to include the following uses in the I-1 Light Industrial District:

- A. Marihuana Grower in accordance with requirements of Chapter 15, Article IV Marihuana Establishments.

Article XVIII. I-2 General Industrial District, Section 82-378. Section 82-378 is amended to be renamed Conditional Uses and include the following uses in the I-2 General Industrial District:

- A. Any conditional use first permitted and as regulated in an I-1 District.
- B. Marihuana Grower in accordance with requirements of Chapter 15, Article IV Marihuana Establishments

Article XVIII. I-2 General Industrial District, Section 82-378 Area and Bulk Requirements. Section 82-378 is amended to be renumbered to Section 82-379.

Article XVIII. I-2 General Industrial District, Section 82-379 to 82-395 Reserved. Section 82-379 to 82-395 is amended to be renumbered to Section 82-380 to 82-395.

SECTION 3. SEVERABILITY. The provisions of this ordinance are hereby declared to be severable and if any clause, sentence, word, section or provision is declared void or unenforceable for any reason by any court of competent jurisdiction, it shall not affect any portion of this ordinance other than said part or portion thereof.

SECTION 2. EFFECTIVE DATE. This ordinance shall become effective 20 days after publication.

Second, _____. _____ () Yeas. () Nays.

Dated: _____

Michael Armitage, Mayor

, City Clerk

Introduced:
Adopted:
Effective:

CITY OF CHARLOTTE
ORDINANCE NO. 2021-xx

AN ORDINANCE TO AMEND CHAPTER 15 BUSINESSES,
ARTICLE IV MARIHUANA ESTABLISHMENTS TO
AUTHORIZE AND REGULATE CERTAIN MEDICAL AND
RECREATIONAL MARIHUANA ESTABLISHMENTS

Councilmember _____ moved that the following ordinance be passed to a second reading:

THE CITY OF CHARLOTTE ORDAINS:

SECTION 1. RESCISSION OF PROHIBITION. Chapter 15, Article IV, Section 15-75 *Prohibition on Marihuana Establishments* shall hereby be rescinded and amended as follows.

SECTION 2.

DIVISION I – In General

Section 15-75 TITLE. This ordinance shall be known as the “City of Charlotte Medical and Recreational Marihuana Establishment Permitting Ordinance” and may be referenced as the “ordinance”.

Section 15-76 PURPOSE. It is the intent of this ordinance to authorize certain medical and recreational marihuana establishments in the City of Charlotte, and to permit and regulate the allowable uses. This ordinance is intended to protect public health, safety, and welfare; establish rules and regulations that are fair and equitable for establishments authorized by the Medical Marihuana Facilities Licensing Act (MMFLA) and the Michigan Regulation and Taxation of Marihuana Act (MRTMA); and provide reasonable regulation pursuant to the City of Charlotte City Charter and as provided by the Michigan Constitution and the Home Rule Cities Act.

Section 15-77 Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Applicant is a person who has applied for a Charlotte Medical Marihuana Facility permit and/or applied for a Charlotte Recreational Marihuana Facility permit.

Marihuana is a term as defined in Section 7106 of the Michigan Public Health Code.

Medical Marihuana Facilities Licensing Act (MMFLA) is the adopted Act of 2016.

Medical Marihuana Facility is a facility licensed to operate under the Medical Marihuana Facilities Licensing Act.

Medical Marihuana Grower is a medical marihuana facility that cultivates, dries, trims, or cures and packages marihuana for sale to a processor, provisioning center, or another grower.

Medical Marihuana Processor is a medical marihuana facility that purchases marihuana from a grower or processor and sells, supplies, or provides marihuana to registered qualified patients, directly or through the patient's registered primary caregiver. Provisioning center includes any commercial property where marihuana is sold at retail to registered qualifying patients or registered primary caregivers.

Medical Marihuana Compliance Facility is a medical marihuana facility that takes marihuana from a marihuana facility or receives marihuana from a registered primary caregiver, tests the marihuana for contaminants and for tetrahydrocannabinol and other cannabinoids, returns test results, and may return the marihuana to the marihuana facility.

Medical Marihuana Secure Transporter Facility is a medical marihuana facility that stores marihuana and transports marihuana between marihuana facilities for a fee.

Michigan Regulation and Taxation of Marihuana Act (MRTMA) is the Initiated Law 1 of 2018.

Monthly Application Window is the open application period that commences the day after a 23-day deadline for a Charlotte Medical Marihuana Facility Permit and ends on the following 23-day application deadline.

Person means an individual, corporation, limited liability company, partnership, limited partnership, limited liability partnership, or other legal entity.

Recreational Marihuana Establishment is a facility licensed to operate under the Michigan Regulation and Taxation of Marihuana Act.

Recreational Marihuana Grower is a recreational marihuana establishment licensed to cultivate marihuana and sell or otherwise transfer marihuana to marihuana establishments.

Recreational Marihuana Microbusiness is a recreational marihuana establishment licensed to cultivate not more than 150 marihuana plants; process and package marihuana; and sell or otherwise transfer marihuana to individuals who are 21 years of age or older or to a marihuana safety compliance facility, but not to other marihuana establishments.

Recreational Marihuana Processor is a recreational marihuana establishment licensed to obtain marihuana from marihuana establishments; process and package marihuana; and sell or otherwise transfer marihuana to marihuana establishments.

Recreational Marihuana Retailer is a recreational marihuana establishment licensed to obtain marihuana from marihuana establishments and to sell or otherwise transfer marihuana to marihuana establishments and to individuals who are 21 years of age or older.

Recreational Marihuana Safety Compliance Facility is a recreational marihuana establishment licensed to test marihuana, including certification for potency and the presence of contaminants.

Recreational Marihuana Secure Transporter is a recreational marihuana establishment licensed to obtain marihuana from marihuana establishments in order to transport marihuana to marihuana establishments

Registered Primary Caregiver is a primary caregiver who has been issued a current registry identification card under the Michigan Medical Marihuana Act.

Registered Qualifying Patient is a qualifying patient who has been issued a current registry identification card under the Michigan Medical Marihuana Act.

State License means a license issued by the State of Michigan for facilities under the Medical Marihuana Facilities Licensing Act or the Michigan Regulation and Taxation of Marihuana Act.

State Rules include the rules promulgated under the administrative procedures Act of 1969, 1969 PA 306+, MCL 24.201 to 24.328, to implement the Medical Marihuana Facilities Licensing Act and the rules promulgated under the administrative procedures Act of 1969, 1969 PA 306, MCL 24.201 to 24.328, to implement the Michigan Regulation and Taxation of Marihuana Act.

City means the City of Charlotte

Charlotte Medical Marihuana Facility Permit is a permit issued by the City of Charlotte that authorizes the operation of a Medical Marihuana Facility.

Charlotte Recreational Marihuana Facility Permit is a permit issued by the City of Charlotte that authorizes the operation of a Recreational Marihuana Facility.

Sec. 15-78 General Requirements.

- A. All marihuana facilities shall comply with all applicable building and construction codes, zoning requirements, and all state laws and rules for the construction, design, and

operation of the facility. Ongoing compliance with all applicable rules and regulations is required.

- B. All marihuana facilities shall only be operated by a person who has been issued a state permit and a Charlotte Medical or Recreational Marihuana Facility Permit. The marihuana facility shall be operated only so long as the state permit and city permit remain valid and only in accordance with the terms of the permits. A Charlotte Medical Marihuana Facility Permit or a Charlotte Recreational Marihuana Facility Permit shall only be valid so long as the state permit is valid.
- C. All marihuana facilities must have adequate security to prevent access by unauthorized persons.
- D. Medical marihuana facilities and recreational marihuana establishments may co-locate within the same building or on the same parcel, so long as the uses are permitted in the applicable zoning district and if co-location is allowable under state laws and rules.
- E. No marihuana facility shall be operated in a manner that creates excessive noise, dust, vibrations, glare, or fumes or odors that are detectible to the normal senses beyond the boundaries of the parcel on which the marihuana facility operates.
- F. Separation
 - 1. Marihuana growers shall be located at least one-thousand feet from the following sensitive uses: schools, licensed child care centers, places of worship, and public parks.
 - 2. A marihuana grower shall be located at least X feet from the next closest permitted off-site medical marihuana grower or permitted recreational marihuana grower.
 - 3. The minimum required separations are measured horizontally in the following manner:
 - i. Between the nearest exterior wall of the proposed facility to the nearest exterior wall of a building accommodating a sensitive use listed in item F, 1; or to the outside limits of an outdoor area used in conjunction with a sensitive use listed in item F, 1.
 - ii. Between the nearest exterior wall of the proposed facility to the nearest exterior wall of an existing permitted facility.
 - 4. Separation waivers may be granted by the City Council in any of the following circumstances, except that no waiver shall be granted from separation from schools:
 - i. Signed consent supporting the waiver is provided by the owner of the sensitive use listed in F, 1.
 - ii. A finding by the Council that the operation of the marihuana facility does not have a detrimental effect on the sensitive use and neighboring property.
 - 5. A marihuana facility shall only operate on the property and at the address specified on the Charlotte Medical or Recreational Marihuana Facility Permit and state permit.

Section 15-79 Zoning Compliance.

- A. The City of Charlotte Zoning Ordinance shall specific the zoning districts in which a marihuana facility may be located and operated. No Charlotte Medical or Recreational Marihuana Facility Permit shall be issued to a marihuana facility located or operated in any zone district which does not expressly authorize the use through the special land use process.

- B. All special land use approvals granted for marihuana facilities shall be conditioned on the securing of a state permit and a Charlotte Medical or Recreational Marihuana Facility Permit.
- C. A marihuana facility shall not be operated except in compliance with the Zoning Ordinance and all special land use and site plan approvals.

Section 15-80 Permitting and Inspections.

- A. A separate permit application is required for each medical marihuana facility proposed.
- B. A medical marihuana facility shall only be operated in the City if the facility obtains a Charlotte Medical Marihuana Facility Permit under the terms of this ordinance, the applicant pays a Marihuana Facility Fee, and after special land approval is issued in accordance with the Zoning Ordinance.
- C. A Charlotte Medical Marihuana Facility Permit must be renewed annually, through re-application and payment of the Marihuana Facility Renewal Fee. Approval shall be conditioned the applicant's demonstration of a positive record of compliance with the requirements of the State of Michigan, this ordinance, and the requirements of the Zoning Ordinance.
- D. The Charlotte Medical Marihuana Facility Permit and state permit must be displayed indoors, in plain view, clearly visible to City officials.
- E. By accepting a Charlotte Medical Marihuana Facility Permit, the applicant shall consent to inspections of the applicant's medical marihuana facility by City officials and/or the Charlotte Police Department to verify compliance with this ordinance.

Section 15-81 Application.

- A. An applicant shall apply for the Charlotte Medical or Recreational Marihuana Facility Permit on a City application form and shall pay a non-refundable Marihuana Facility Fee set by Council Resolution.
- B. The application shall include the following information, as well as any other information that may be requested by the City to verify compliance with this ordinance:
 - a. The applicant's name, home and business address, e-mail address, and telephone number(s).
 - b. The address, legal description and permanent parcel number of the property on which the marihuana facility is proposed to be located.
 - c. The name and address of the owner of record of the property on which the marihuana facility is to be located. If not owned by the applicant, a signed copy of the lease or other legal instrument whereby the owner has permitted the applicant to establish and operate the proposed marihuana facility on the parcel shall be provided.
 - d. The type of marihuana facility which the applicant proposes.
 - e. A copy of the any approval from the state or prequalification.
 - f. Operations plan, including but not limited to the following information:
 - i. General narrative concerning business plans, objectives, and operations.
 - ii. Business structure.
 - iii. Organization and management.
 - iv. Explanation of strategy and methods to comply with this ordinance, zoning requirements, building codes, fire safety rules, and other applicable codes.

Section 15-82 Review and Approval Process.

- A. The application for a Charlotte Medical or Recreational Marihuana Facility Permit shall be submitted to the City Clerk no less than 23 days prior to the City Council meeting in which it is to be considered.
- B. A special land use approval must be valid for the subject site. An application will not be accepted by the City Clerk until the Planning Commission grants special land use and site plan approval for the subject site.
- C. Upon receiving the application, the Clerk shall review it to determine whether it is complete under the terms of this ordinance. The Clerk may review this material in conjunction with other City officials, legal counsel, and consultants. If the application is incomplete, the Clerk shall inform the applicant in writing. An incomplete application is not deemed as officially submitted and shall not have precedence of consideration over any other application.
- D. Upon determining that an application is complete, the Clerk shall assign a number based on the order in which it was received, and arrange for it to be presented to the City Council. Other applications, if any, may be received but they shall be reviewed for completeness only in the order in which they are received; and if complete shall be considered for approval.
- E. In any monthly application window, as defined, where the City Council receives more applications than available permits, the Council shall use its discretion to select the applicant(s) that are best suited to operate in compliance with state laws and rules, and this ordinance utilizing the following competitive ranking system:
 - 1. Applicant holds a valid Charlotte Medical or Recreational Marihuana Facility Permit (5 points).
 - 2. Business plan includes a schedule for communication and receiving feedback from all entities within 500 feet of the business at least once a year (5 points).
 - 3. Proposal includes the appointment of an employee as a designated liaison with the neighborhood (2 points).
 - 4. Proposal includes documented employee safety training program (1 point).
 - 5. Proposal includes business practices relating to energy efficiency, water conservation, and materials/waste storage (2 points).
 - 6. Combined prior experience of proposed owners is more than 5 years of successful business management (1 point).
 - 7. At least one owner or a minimum of 25% ownership take is a full-time resident of the City of Charlotte (3 points).
 - 8. Business promotes local hiring or incentives for City of Charlotte or Eaton County residents (2 points).
 - 9. Business provides employee health benefits for all employees (2 points).
 - 10. Business employs more than 5 people full-time, not counting the owners (2 points).
- F. The City Council shall approve a Charlotte Medical or Recreational Facilities Permit only if the application satisfies all of the following conditions:
 - 1. The applicant has received prequalification by the state for the type of establishment proposed.
 - 2. The request is within the quota for the number of marihuana establishments permitted by this ordinance.
 - 3. The marihuana establishment complies with this ordinance and has received special land use approval.

4. The applicant has demonstrated that the recreational marihuana establishment will not impact public health, safety, and welfare.
 5. In case of renewal, there have been no material violations of the Charlotte Medical or Recreational Marihuana Establishment Permit, this ordinance, and the special land use and site plan approval.
- G. If the application is approved, the City Council shall authorize and direct the Clerk to issue a Charlotte Medical or Recreational marihuana establishment Permit to the applicant. The permit shall include terms and conditions consistent with this ordinance, any conditions imposed by the City Council, and such other provisions as are relevant to the type of marihuana establishment. The permit information shall be provided to the applicable state licensing boards in accordance with state laws and rules. The Charlotte Medical or Recreational Marihuana Establishment Permit shall not be effective until state license approval.
- H. If the application is denied, the Clerk shall inform the applicant in writing, which shall include the reasons for the denial.
- I. An applicant shall have the right to appeal a permit denial in any manner provided by law.

Section 15-83 Renewal and Transfers.

- A. The Charlotte Medical or Recreational Marihuana Facilities Permit shall be valid for a period not longer than one year.
- B. The Charlotte Medical or Recreational Marihuana Establishment Permit shall be renewed annually prior to the anniversary date of the original permit approval. A permit holder desiring renewal shall apply for the same by completing an application form for such purpose.
- C. With the renewal application, the applicant shall submit either a revised site plan, if any of the elements of the previously submitted site plan have changed, or otherwise, the applicant shall submit a statement that the previous site plan remains accurate as to the matters depicted on the previously approved site plan. Site plan changes shall be processed in accordance with the Zoning Ordinance.
- D. The City Council shall consider the renewal application in the same manner and under the same requirements as for an original application, except that in considering the renewal, the Council may consider any violations on the part of the applicant during the previous period of the permit, and shall issue an approval, conditional approval, or denial in the same manner as Section 15-82 of this ordinance.
- E. The Charlotte Medical or Recreational Marihuana Establishment Permit issued under this ordinance is not transferable. If the state rules and regulations allow the transfer of a license, such transferee shall apply for a Charlotte Medical or Recreational Marihuana Establishment Permit upon state approval, and the City Council shall review such application in accordance with this ordinance.

Section 15-84 Fees.

- A. A Marihuana Establishment Fee and Marihuana Establishment Renewal Fee shall be paid by the applicant for each Charlotte Medical or Recreational Marihuana Establishment Permit, in the amount up to \$5,000, as established by a City Council Resolution.

Section 15-85 Violations and Penalties.

- A. The City of Charlotte may seek injunctive relief against persons alleged to be in violation of this ordinance, and such other relief as may be provided by law.

Section 15-86 Revocation of Permit.

- A. Revocation of a permit issued under this ordinance may occur upon a finding of the following:
 - 1. Fraudulent or material misrepresentation contained in the application.
 - 2. A pattern of violations of this ordinance or the Zoning Ordinance, after reasonable notice and opportunity to abate the violation.
 - 3. Violations of state law and rules.
 - 4. Revocation of state license.
- B. The revocation shall be in addition to the other available remedies under this ordinance as described in Section 15-85.
- C. The Clerk shall give written notice to the permit holder of the City Council's intent to revoke the Charlotte Medical or Recreational Marihuana Establishment Permit. The notice shall state the reasons for the proposed revocation. The notice shall state that the permit holder may attend a hearing before the City Council as to the revocation to appeal the decision. At least 10 days' notice of the hearing shall be given; the notice shall state the date, time and place of the hearing. At or prior to the hearing, the permit holder may submit written comments with respect to the proposed revocation.
- D. Following the hearing, the City Council may revoke the permit, elect not to revoke the permit, or impose additional terms and conditions in the permit to gain compliance as to the matters for which revocation was considered. This decision shall be provided to the permit holder in writing.
- E. The revocation of a permit shall not entitle the permit holder to any refund of fees paid under the terms of this ordinance.

Division II Medical Marihuana Establishments

Section 15-87 Authorized Medical Marihuana Facilities and Applicability.

- A. The following medical marihuana facilities, as authorized by the MMFLA may be operated by a Charlotte Medical Marihuana Facility Permit holder in the City:
 - 1. Medical marihuana grower, not to exceed 500 marihuana plants.
- B. The number of Charlotte Medical Marihuana Facility Permits in effect at any time shall not exceed the following maximums within the City:

1. Medical marihuana grower: six (6).

The City may review and amend permit limits by amending this ordinance.

- C. This ordinance does not apply to any registered primary caregiver or registered qualifying patient operating pursuant to the Michigan Medical Marihuana Act (MMMA).

Sec. 15-88 Special Requirements for Medical Marihuana Growers.

- A. All facilities must be designed to minimize odors emanating from the marihuana plants. Air scrubbing and carbon filtration systems shall be required by the City unless another comparable technology or best practice with equivalent effectiveness is incorporated.

Division III Recreational Marihuana Establishments

Section 15-89 Authorized Recreational Marihuana Facilities and Applicability.

- A. The following recreational marihuana facilities, as authorized by the MRTMA may be operated by a Charlotte Recreational Marihuana Facility Permit holder in the City:
 1. Recreational marihuana grower, not to exceed 500 marihuana plants.
- B. The number of Charlotte Recreational Marihuana Facility Permits in effect at any time shall not exceed the following maximums within the City:
 1. Recreational marihuana grower: six (6).

The City may review and amend permit limits by amending this ordinance.

- C. This ordinance does not apply to any registered primary caregiver or registered qualifying patient operating pursuant to the Michigan Medical Marihuana Act (MMMA).

Section 15-90 Special Requirements for Recreational Marihuana Growers.

- A. All facilities must be designed to minimize odors emanating from the marihuana plants. Air scrubbing and carbon filtration systems shall be required by the City unless another comparable technology or best practice with equivalent effectiveness is incorporated.

SECTION 3. SEVERABILITY. The provisions of this ordinance are hereby declared to be severable and if any clause, sentence, word, section or provision is declared void or unenforceable for any reason by any court of competent jurisdiction, it shall not affect any portion of this ordinance other than said part or portion thereof.

SECTION 2. EFFECTIVE DATE. This ordinance shall become effective 20 days after publication.

Second, _____. _____ () Yeas. () Nays.

Dated: _____

Michael Armitage, Mayor

, City Clerk