

Michigan Office of Administrative Hearings and Rules

611 W. Ottawa Street

Lansing, MI 48909

Phone: 517-335-8658 Fax: 517-335-9512

**AGENCY REPORT TO THE
JOINT COMMITTEE ON ADMINISTRATIVE RULES (JCAR)**

1. Agency Information

Agency name:

Licensing and Regulatory Affairs

Division/Bureau/Office:

Marijuana Regulatory Agency

Name of person completing this form:

JESSICA FOX

Phone number of person completing this form:

517-284-9294

E-mail of person completing this form:

FOXJ12@michigan.gov

Name of Department Regulatory Affairs Officer reviewing this form:

Elizabeth Arasim

2. Rule Set Information

MOAHR assigned rule set number:

2020-121 LR

Title of proposed rule set:

Marihuana Licenses

3. Purpose for the proposed rules and background:

To update the existing rules as required by amendments to the Medical Marihuana Facilities Licensing Act (MMFLA) and Michigan Regulation and Taxation of Marihuana Act (MRTMA), to establish additional standards for annual financial statements, renewals, the revocation of prequalification status.

4. Summary of proposed rules:

The rule changes are designed to create greater consistency in the licensing process for marihuana businesses and to create cohesion between license issuance for medical and adult-use marihuana businesses. These decisions are made daily by agency licensing staff. The rule changes are also intended to create clear and consistent operational standards for marihuana businesses.

5. List names of newspapers in which the notice of public hearing was published and publication dates:

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The Flint Journal – September 7, 2021
The Grand Rapids Press – September 7, 2021
The Mining Journal – September 7, 2021

6. Date of publication of rules and notice of public hearing in Michigan Register:

9/1/2021

7. Date, time, and location of public hearing:

9/27/2021 09:30 AM at Williams Building, 1st Floor Auditorium , 525 West Ottawa Street, Lansing, Michigan

8. Provide the link the agency used to post the regulatory impact statement and cost-benefit analysis on its website:

<https://ARS.apps.lara.state.mi.us/Transaction/RFRTransaction?TransactionID=1247>

9. List of the name and title of agency representative(s) attending public hearing:

Andrew Brisbo – Executive Director
Jessica S. Fox – Departmental Analyst, Scientific & Legal Section
Kelly Kronner – Departmental Analyst, PR Section

10. Persons submitting comments of support:

Bob Hendricks
MCMA
LSSU
Travis Copenhaver
NORML
MICIA
Carbidex
WSU
NMU
LSSU
Cannabis Law Section – Special Committee on Rules

11. Persons submitting comments of opposition:

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Benjamin D. Joffe
 Cresco Labs
 MICIA
 Bob Hendricks
 Cannabis Attorneys of Michigan
 My TCBD
 Carbidex
 Shryne
 NORML
 MCMA
 Gage Cannabis
 Dickinson Wright
 The Spott
 Josh Rheault
 Calyxium
 42 degrees

12. Identify any changes made to the proposed rules based on comments received during the public comment period:

	Name & Organization	Comments made at public hearing	Written Comments	Agency Rationale for change	Rule number & citation changed
1	Bob Hendricks		Restricted Access area should be secured area, the definition should be modified.	The agency agrees with this comment.	R 420.1(1)(dd)
2	MCMA		The definition of marijuana establishment should be consistent with MRTMA.	The agency agrees with this comment.	R 420.1(1)(s)
3	Bob Hendricks		Gives broad authority to the MRA to determine who is “no longer suitable” and is very vague.	The agency agrees with this comment.	R 420.3(4)
4	MCMA		This should be revised to conform with current application processes.	The agency agrees with this comment.	R 420.4(2)

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5	Benjamin D. Joffe		This is impermissibly broad with no standard articulated.	The agency agrees with this comment.	R 420.4(2)(b)(ii)
6	MCMA		Modify to be specific to the MMFLA or remove.	The agency agrees with this comment.	R 420.6(2)(d)
7	Cannabis Attorneys of Michigan		This should be limited to retail locations.	The agency agrees with this comment.	R 420.8(2)(b)(viii)
8	MICIA		Moral character should be removed.	The agency agrees with this comment.	R 420.13(1)(a)
9	Benjamin D. Joffe		An applicant could not report these items prior to them occurring as the rule would require as currently written.	The agency agrees with this comment.	R 420.14(8)
10	Cresco Labs		Change 1 day to 3 business days.	The agency agrees with this comment.	R 420.14(4)
11	NORML		As written it appears that sales AND consumption must BOTH be approved – it should be approval for either.	The agency agrees with this comment.	R 420.25(6)
12	Cannabis Law Section – Special Committee on Rules		As written it appears that sales AND consumption must BOTH be approved – it should be approval for either.	The agency agrees with this comment.	R 420.25(6)

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13	LSSU		It is not reasonable to expect receipt of DEA registration within 90 days of licensure, because there could be delays with the DEA.	The agency agrees with this comment.	R 420.27a(2)
14	LSSU		As written this could broadly prevent otherwise legal use of medical marijuana on a premise that is licensed with an Educational Research License.	The agency agrees with this comment.	R 420.27a(9)
15	Cannabis Law Section – Special Committee on Rules		This should be modified to be permissible with consent of the Agency.	The agency agrees with this comment.	R 420.27a(9)

13.Date report completed:

12/15/2021