

Michigan Office of Administrative Hearings and Rules

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**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:

2020-120 LR

Title of proposed rule set:

Marihuana Licensees

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) and to provide additional guidance on the preparation and processing of marihuana product.

4. Summary of proposed rules:

The rule changes are designed to create greater consistency in the licenses available to 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. These rule changes are also intended to create new license types under MRTMA to assist the industry in growing, provide greater opportunity for small businesses, and provide greater opportunity for education and research at academic institutions.

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=1246>

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:

Weedmaps
NORML
MCMA
Carbidex
The Spott
MICIA
Bob Hendrix
Peter Calkins
Calyxeum
Tree Twins Holdings
Cannabis Legal Group
Wanda Dunlap
Joseph Bartilotta
Carmen Toal
Jesse Porter
NCIA – DEIC
Michael Webster
Greg Russell
Scott Roberts
Ace Assi
TR Franchising
Kellen Brandon
Joseph Cranmore

11. Persons submitting comments of opposition:

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Cresco Labs
 Benjamin Joffe
 Cannabis Law Section – Special Committee on Rules
 Carbidex
 MCMA
 NORML
 MY TCBD
 MICIA
 Bob Hendrix
 Cheyenne Benyi
 Rio’s Happy Tree
 Terry Reetz

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	Benjamin Joffe		Comment was received on the Operations Rule set that the definition of applicant was not consistent across rule sets.	R 420.101(1)(d)	R 420.101(1)(d)
2	Benjamin Joffe		Comment was received on the Operations Rule set that the definition of applicant was not consistent across rule sets.	The agency made a correction to this rule based upon the comment made on R 420.201(1)(d).	R 420.101(1)(d)(i)(I)
3	MCMA		Comment was received on the Marihuana Licenses rule set that the definition of Marihuana Establishment should be modified to match the definition in MRTMA.	Definition updated to match definition in other rule set where feedback was incorporated under R 420.1(1)(s).	R 420.101(1)(p)

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4	MICIA		This provision should be consistent with what is allowed for other MRTMA licenses.	The agency agrees with this comment.	R 420.105a (8)
5	Carbidex (Comments were submitted as a Word version of the rule set with comments by "TC" included)		There should also be a provision for a one-time transfer – like the regular microbusiness.	The agency agrees with this comment.	R 420.105a (8)
6	Benjamin Joffe		Definition of industrial hemp should be updated based on new legislation.	The agency agrees with this comment.	R 420.101(1) (i)
7	Weedmaps		Definition of Licensing agreement should be narrowed, as written could include unintended contracts.	The agency agrees with this comment.	R 420.101(1) (l)
8	MCMA		The term cultivate from MRTMA should be used instead of grow.	The agency agrees with this comment.	R 420.102(1)
9	MCMA		It should be explicitly stated that harvested marijuana can be transferred between growers.	The agency agrees with this comment.	R 420.102(3)
10	MCMA		It should be explicitly stated that harvested marijuana can be transferred between growers.	The agency agrees with this comment.	R 420.108(3)

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11	MCMA		The requirement of reporting vehicle location should not be in the business plan.	The agency agrees with this comment.	R 420.106(3)(f)
12	MCMA		The requirement of reporting vehicle location should not be in the business plan.	The agency agrees with this comment.	R 420.110(4)(g)
13	MICIA		An adult should be able to have their marijuana product tested, regardless of where it came from.	The agency agrees with this comment.	R 420.107(1)(c)
14	MCMA		The current prohibition against returning marijuana should be written into the rules.	The agency agrees with this comment.	R 420.108(11)
15	MCMA		The current prohibition against returning marijuana should be written into the rules.	The agency agrees with this comment.	R 420.109(5)
16	MCMA		Secure Transporters should be able to transfer marijuana to other secure transporters.	The agency agrees with this comment.	R 420.110(6)
17	MCMA		Secure Transporters should be able to transfer marijuana to other secure transporters.	The agency agrees with this comment.	R 420.106(5)

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18	MICIA		Definition of management agreement should be modified.	The agency agrees with this comment.	R 420.101(1) (m)
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13.Date report completed:

12/15/2021