

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:

2020-122 LR

Title of proposed rule set:

Marihuana Operations

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 allow for contactless marijuana transactions.

4. Summary of proposed rules:

The rule changes are designed to create greater consistency in the operation of marihuana businesses and to create cohesion between operations of medical and adult-use marihuana businesses. The rule changes are also designed to allow for limited contact and/or contactless transactions.

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

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=1248>

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:

Benjamin D. Joffe

Gage Cannabis

Dickinson Wright

MCMA

Terrapin

Shryne Group

Sandy Marcus

Adam Goldberg

Steven Haddad

Redbud Roots

High Life Farms

Pleasantrees

Cannabis Law Section – Special Committee on Rules

42 Degrees

Carbidex

Bob Hendricks

NORML

Cresco Labs

Green Peak

MICIA

Pathogen Dx

Cannabis Legal Group

11. Persons submitting comments of opposition:

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The Spott
 MCMA
 Terrapin
 MCMA
 MICIA
 Sky Mint
 Carbidex
 One Two Tree Holdings
 NORML
 Cannabis Law Section – Special Committee on Rules
 Benjamin D. Joffe
 My TCBD
 Pleasantrees
 Fluresh
 Gage Cannabis
 Dickinson Wright
 Cresco Labs

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 D. Joffe		Definition of applicant is not consistent with other rule sets.	The agency made a correction to this definition to make it consistent across rule sets.	R 420.201(1)(d)(i)(I)
2	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 420.201(1)(u)

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3	MCMA		The definition of restricted access area should be clarified as it relates to sales locations.	Definition updated to match definition in other rule set where feedback was incorporated under R 420.1(1)(dd)	R 420.201(1)(ii)
4	42 Degrees		The definition of final form needs to be clarified with what final packaging is.	Comment was received on R 420.301(1)(g). Also, this definition needed formal correction to match the definition as it was written in other rule sets.	R 420.201(1)(m)
5	Gage Cannabis		Include how long the records must be maintained.	The agency agrees with this comment.	R 420.203(2)(f)(iii)
6	Terrapin		Allow storage of final form product to be combined with co-location.	The agency agrees with this comment.	R 420.204
7	Shryne Group		Co-located business should be able to have more common use areas.	The agency agrees with this comment.	R 420.204(3) & (4)
8	Sandy Marcus		Transporters should be able to use boxes or containers with tamper proof tape, etc. as long as receiving business could tell if the package had been tampered with.	The agency agrees with this comment.	R 420.206(7)(c)

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9	MCMA		The qualifications of a supervisory analyst are not included.	The agency agrees with this comment. Because the qualifications were not included, the requirement to meet “supervisory analyst” was removed.	R 420.206(8)(b)
10	Cannabis Law Section – Special Committee on Rules		This should include flavonoids and terpenoids.	The agency agrees with this comment.	R 420.206(11)
11	42 Degrees		The rule is confusing, what is a “form” of marihuana product.	The agency agrees with this comment. The rule language was modified to only use the word “form” once instead of multiple times in the same provision.	R 420.206(14)
12	MCMA		Oppose this rule as written.	The agency made modifications to this rule based upon previous comments on the agency requiring licensees to comply with guidance issued by the MRA outside of the rulemaking process.	R 420.206a
13	Gage Cannabis		This should not be required to be corrected on the spot.	The agency agrees with this comment; this provision was deleted.	R 420.206a(5)

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14	Green Peak		Clarify if phone orders are acceptable, be specific about drive through transactions.	The agency agrees with this comment.	R 420.207a
15	MICIA		Change “with a closed lid” to “in a closed container.”	The agency agrees with this comment.	R 420.212(3)
16	Carbidex		Clarify that samples can be stored in this space, that the other products cannot.	The agency agrees with this comment.	R 420.214a (4)
17	MICIA		There is no way to determine if the customer is returning for Adult-Use product and likely inappropriate for disabled patients, etc.	The agency agrees with this comment and has therefore, removed the language saying that the customer must return the product.	R 420.214c (2)(d)

13.Date report completed:

12/16/2021