

# Marijuana Regulatory Agency Implements New Administrative Rule Sets

**March 7, 2022** - In an effort to continue stimulating business growth while preserving safe consumer access to marijuana, the Marijuana Regulatory Agency (MRA) has updated the administrative rule sets, effective today. As a result of the update, there will be numerous changes occurring on the website and to the forms, applications, and various publications. Highlights of the rules and process changes are noted below.

License applicants are advised that the applications, step-by-step instructions, and other educational resources that were previously available on the MRA website for adult-use establishments and medical marijuana facilities are being updated to comply with the updated rule sets. Additionally, the MRA advisory and technical bulletins are being updated, as applicable.

Applicants and licensees are encouraged to obtain applications and forms directly from the website to ensure they are using the most up-to-date materials. Previous versions of the medical and adult-use applications will not be accepted. To ensure applications are processed as quickly and efficiently as possible, applicants are encouraged to submit applications through the online application portal, Accela Citizen Access (ACA). ACA is also being updated to be consistent with the updated rule sets and mirror the changes made to the paper applications.

# **Highlights of the Rule Changes**

#### **New Fees**

- The adult-use and medical marijuana application fees were lowered from \$6,000 to \$3,000.
- Adult-use establishment renewal tiers were removed; licensees who have already been invoiced a renewal fee are to pay the fee as invoiced.
- Medical marijuana facility renewal tiers were removed; this change will take effect for fiscal year 2023 (please refer to the regulatory assessment <u>bulletin</u> that outlined the fees for fiscal year 2022 for medical marijuana facilities).
- See the Licenses rule set for the full list of new, lower fees for adult-use establishment licenses. Please visit the MRA website and click on the Laws.

## Rules, & Other Resources link.

## New Adult-Use Class A Marijuana Microbusiness License

- Initial licensure fee is \$18,600 and allows a licensee to grow up to 300 plants.
- Class A marijuana microbusinesses may purchase marijuana concentrate and marijuana-infused products from a processor.
- Marijuana liability insurance will be required upon licensure and at renewal.

#### New Adult-Use Educational Research License

- Applications will only be accepted from organizations that have been accredited by the Higher Learning Commission.
- Licensees are required to have proof of DEA registration to operate.
- License is valid for one year and does not carry an application fee, a licensure fee, or a renewal fee to operate.

#### **Application Changes**

- The adult-use requirements for applicant disclosure have been updated to match medical requirements for applicant disclosure; those with less than 2.5% ownership interest are not required to be disclosed.
- A definition of a trustee was added to the rules.
- Added a rule that the MRA can administratively withdrawal applications that are over one year old and have had no determination made.
- Renewal applications may be denied for failure to submit an annual financial statement as required.

#### Enforcement

- Documents have been updated; those interested in licensure can find copies on the MRA website by clicking on the MRA Bulletins <u>link</u> and expanding the Technical Bulletins tab:
  - Prelicensure inspection checklist
  - 30-day inspection checklist
  - Semi-annual inspection checklist
  - SCF Inspection Report

#### Sampling & Testing

 There have been significant updates to the requirements for sampling and testing of marijuana and marijuana product. • There have been modifications to allow more movement of product within the market prior to final, full, safety compliance testing being required.

#### **Operations**

- Contactless and limited contact transactions including curbside service and drive-thru operations are allowed, with municipal approval.
- Product that is required to be destroyed must be destroyed within 90 days.
- There are updated requirements for Standard Operating Procedures (SOPs).

### **Declaratory Rulings**

 Set forth a complete rule set outlining the process and requirements for a Request for a Declaratory Ruling from the Agency.

# Infused and Edible Products

Updated requirements for packaging and labeling of products.

# **Potential Service Interruption While Making System Changes**

Due to the number of changes that need to be made across the MRA website and within ACA, the public may experience brief interruptions to service while the MRA makes these changes.

The MRA appreciates your understanding and patience while the necessary system changes are made.

For questions, please contact MRA-Adult-Use-Marijuana@Michigan.gov