



**CANNABIS**  
LEGAL GROUP

# How to Obtain a License to Operate a Medical Marijuana Business

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December 8<sup>th</sup>, 2016  
Ann Arbor, MI

# Three New Marijuana Laws

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1. Medical Marijuana Facilities Licensing Act (MMFLA)
2. Amended Michigan Medical Marijuana Act
3. Marijuana Tracking Act

## Effective Dates

- Approved by Governor on September 21, 2016
- Effective on December 20, 2016

# Amended Michigan Marijuana Act

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Adds to the Definition of “Usable Marijuana” to now include “marijuana infused product.”

- Topical Formulation
- Tincture
- Beverage
- Edible Substance

Similar Product Containing Usable Marijuana Intended for Human Consumption in a Manner  
Other Than Smoke Inhalation

# Marijuana Tracking Act

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## Creates a Statewide Monitoring System to:

- Track Marijuana and Marijuana Product in Commercial Trade
- Monitor Compliance with Laws Authorizing MMJ Commercial Traffic
  - Identify Threats to Health from Particular Batches of MMJ

### **“Seed to Sale” Tracking of Marijuana**

System Will Verify in Real Time Patient ID Cards & Transfer Limits

# Medical Marijuana Facilities Licensing Act

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## **Creates Five (5) New Types of MMJ Licenses in Michigan**

1. Grower
  - Class A: 1 to 500 Plants
  - Class B: 500 to 1000 Plants
  - Class C: 1,000 to 1,500 Plants
2. Processor (Extraction/Manufacturing)
3. Provisioning Center (Dispensary)
4. Secure Transportation
5. Safety Compliance Facility (Independent Testing Laboratory).

# Medical Marijuana Facilities Licensing Act

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## Medical Marijuana Licensing Board

5 members appointed by the Governor

No more than 3 can be members of the same political party

Term of 4 years

**Board's Duties:** The licensing, regulating and enforcing a regulatory system established for the growth, processing, testing and transportation of medical marijuana under the MMFLA.

# Medical Marijuana Facilities Licensing Act

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## **Timing of Issuance of Applications:**

- 360 Days from Effective Date
- December 2017

## **When Will Licenses be Issued:**

- Starting February/March, 2018

**Number of Licenses:** MMFLA denies the Board authority to establish any limit on the number or type of licenses that may be granted. This authority, however, is left to municipalities.

# Medical Marijuana Facilities Licensing Act

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How & When to Start the Process:

**Now!**

Location, Location, Location

**Local Municipality MUST Have  
an Ordinance to Enable Specific Use!!!**



# Medical Marijuana Facilities Licensing Act

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## Ordinance + Zoning

**Ordinance:** Can Adopt Ordinance Allowing Some, All or None of MMJ Facilities.

**Zoning:**

- Grow: Industrial / Agricultural / Unzoned
- Dispensary/Manufacturing: Not Specified in MMFLA

# Medical Marijuana Facilities Licensing Act

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**CAUTION!!!!**

## When Looking For Property in Areas Yet to Adopt an Ordinance

- Schools
- Day Care Centers
- Public Parks
- Church/Liquor Stores
- Zoned Exclusively for Residential Use
- 500 Feet (Warren)
- 1,000 Feet (Detroit & Illinois)

# Medical Marijuana Facilities Licensing Act

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## Approaching a Municipality

- Be Direct – Tell Them What You Want
- Learn the Process for Creating Ordinance – Usually Starts with Council/Board
- **Educate! Educate! Educate!**
- Get on the Agenda to Speake (Bring a Patient/Public Time)
- Focus on Security/Traceability

**Tax:** Medical Marijuana Excise Fund is generated through a 3% tax on the gross retail receipts of all Provisioning Centers (Dispensaries)

- Municipalities: 25% of Fund
- Counties: 30% of Fund

# Amended MMMA & MMFLA

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How Does the MMFLA Impact  
Caregivers Licensed Under the MMMA?

Caregivers Must Choose –  
Cultivate Commercially or For Patients

# Medical Marijuana Facilities Licensing Act

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## What is the Cost of Applications?

### State Application Fee:

- Not Announced But Expected About \$5,000

### Local Application Fee:

- Municipalities May Impose Annual Licensing Fees of \$5,000
- Expected Not to Exceed \$5,000

# Medical Marijuana Facilities Licensing Act

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Individual Ownership: Residency Requirement

No Residency Requirement for Corporate Entities

Limits on Licenses (Multiple Ownership)