

Medical Marijuana Facilities Licensing Act

Introduction

On September 21, 2016 Governor Snyder signed a package of bills (2016 PA 281-283) that significantly expands the types of medical marijuana facilities permitted under state law and establishes a licensing scheme similar to the scheme for liquor licenses.

Requirements under the Act

Among other things, the legislation:

1. Legalizes the medical use of marijuana-infused products, commonly known as “edibles,” for purposes of state law.
2. Creates a regulatory agency (Cannabis Regulatory Agency created by Executive Order 2022-1) within the Michigan Department of Licensing and Regulatory Affairs (LARA) to issue licenses for various medical marijuana facilities.
3. Requires an annual license for any of the following entities to operate a marijuana facility:
 - Growers—licensees that cultivate, dry, trim, or cure and package marijuana for sale to a processor or provisioning center. Registered patients and primary caregivers who lawfully cultivate marijuana in the quantities and for the purposes permitted under the Medical Marijuana Act are not considered “growers” under the new legislation.
 - Processors—licensees that purchase marijuana from a grower and extract resin from the marijuana or create a marijuana-infused product for sale and transfer in packaged form to a provisioning center.
 - Provisioning centers—licensees that purchase marijuana from a grower or processor and sell, supply, or provide marijuana to patients, directly or through the patient’s caregiver.
 - Secure transporters—licensees that store marijuana and transport it between marijuana facilities for a fee.
 - Safety compliance facilities—licensees that receive marijuana from a marijuana facility or primary caregiver and test it for contaminants and other substances.
4. **Allows municipalities to choose whether to allow any of these marijuana facilities within their jurisdictions.** If a municipality takes no action, none of the facilities are allowed. A municipality that wishes to allow these facilities must enact an ordinance explicitly authorizing them.
5. Authorizes municipalities to charge an annual fee of up to \$5,000 on licensed marijuana facilities to defray administrative and enforcement costs.
6. Authorizes municipalities to adopt ordinances relating to marijuana facilities within their jurisdiction, including zoning ordinances.
7. Prohibits municipalities from imposing regulations regarding the purity or pricing of marijuana or interfering or conflicting with statutory regulations for licensing marijuana facilities.
8. Requires municipalities to provide to regulators within 90 days after notice that a license application was filed: (a) a copy of any ordinance authorizing the marijuana facility, (b) a copy of any zoning regulation applicable to the facility, and (c) a description of any previous medical-marijuana related ordinance violation.
9. Exempts from FOIA disclosure any information a municipality obtains in connection with a license application.
10. Requires the state to establish a “seed to sale” computer tracking system to compile data regarding marijuana plants throughout the chain of custody from grower to patient. The system will be able to provide this data in real-time to local law enforcement agencies.

This publication was originally written by Nick Curcio (Dickson Wright), now of the Curcio Law Firm.