

**Medical Marijuana Facilities Licensing Act
Statistical Report
For Fiscal Year 2018**

(Pursuant to MCL 333.27302(I) and 333.27702 and Section 512 of Public Act 207 of 2018)

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Executive Summary:

The *Medical Marihuana Facilities Licensing Act Statistical Report for Fiscal Year 2018* contains the reporting requirements pursuant to MCL 333.27302(l) and 333.27702 and Section 512 of Public Act 207 of 2018.

The Medical Marihuana Facilities Licensing Act, Section 302(l) [MCL 333.27302(l)] states:

The board's duties include all of the following:

Reviewing the patterns of marihuana transfers by the licensees under this act as recorded in a statewide database established for use in administering and enforcing this act and making recommendations to the governor and the legislature in a written annual report to the governor and the legislature and additional reports that the governor requests. The annual report shall be submitted by April 15 of each year and shall include the report required under section 702, a statement of receipts and disbursements by the board, the actions taken by the board, and any additional information and recommendations that the board considers appropriate or that the governor requests.

The Medical Marihuana Facilities Licensing Act, Section 702 [MCL 333.27702] states:

The board shall submit with the annual report to the governor under section 302(k) (sic) and to the chairs of the legislative committees that govern issues related to marihuana facilities a report covering the previous year. The report shall include an account of the board actions, its financial position, results of operation under this act, and any recommendations for legislation that the board considers advisable.

Public Act 207 of 2018 requires the following:

Sec. 512. The department shall submit a report regarding the medical marihuana facilities licensing and tracking program to the standing committees on appropriations of the senate and house, the senate and house fiscal agencies, and the state budget director by March 1. The report shall include, but is not limited to, the following:

- (a) The number of initial license applications received for each license category.*
- (b) The number of initial applications approved and the number of initial license applications denied.*
- (c) The average amount of time, from receipt to approval or denial, to process an initial application.*
- (d) The total number of license applications approved by license category and by county.*
- (e) The total amount collected from application fees.*
- (f) The total amount collected from any established regulatory assessment.*
- (g) The costs of administering the medical marihuana facilities licensing and tracking program.*

Pursuant to these requirements, this report has been reviewed by the Medical Marihuana Facilities Licensing Board and prepared and issued electronically to the Governor, chairs of the legislative committees that govern issues related to marijuana facilities, chairs of the House and Senate appropriations standing committees, the House and Senate Fiscal Agencies, and the state budget director to meet the annual, March 1 and April 15 reporting requirements. In addition, this report is also online under the following locations:

- The Bureau of Marijuana Regulation (BMR) website at: www.michigan.gov/bmr.
- The All About LARA section - Legislative Reports of the Department of Licensing and Regulatory Affairs website at: www.michigan.gov/lara.

Executive Background:

The Medical Marihuana Facilities Licensing Act (MMFLA) is a state licensing program administered by the Bureau of Marijuana Regulation (BMR), Michigan Department of Licensing and Regulatory Affairs (LARA). The program administers the MMFLA and Marihuana Tracking Act (MTA) as enacted on December 20, 2016. The agency implements the statutory tenets of this act in such a manner that protects the public and assures the safe acquisition of marijuana for patients throughout Michigan.

Specifically, the information provided in this report is based on data from October 1, 2017 through September 30, 2018.

Required Information for MCL 333.27302(l) and 333.27702:

- (1) Patterns of marijuana transfers by licensees.

For Fiscal Year 2018, there was not enough data to develop patterns. The data below represents all information from the statewide monitoring system (METRC) for the fiscal year.



Industry Users	12
Immature Plants	0
Plants	4,925
Plants Destroyed	23
Harvests	0
Packages	40
Transfers	5
Transfer Deliveries	5
Transfer Packages	0
Sales Total	\$0
Daily Sales Total	\$0
Receipts Total	\$0
Deliveries Total	\$0
Patients	0
Items	21
Strains	109
Rooms	47

(2) Receipts and disbursements.

Salaries, Wages & Fringes	\$3,358,020.58
Travel - In/Out of State	\$67,457.78
Communications	\$154,636.70
Contractual & Consulting	\$1,192,063.09
Supplies & Materials	\$141,170.90
Equipment	\$561,415.75
Grants	\$34,798.76
LARA Administrative Costs	\$136,441.67
IT Costs	\$1,018,482.92
Michigan State Police Costs	\$1,279,637.62
Attorney General Costs	\$264,312.59

(3) Actions taken by the board.

Action Taken	Count
Prequalification Applications Approved	73
Prequalification Applications Denied	53
License Applications Approved	37
License Applications Denied	8

(4) Recommendations for legislation.

None.

Required Information for Section 512 of Public Act 207 of 2018:

(a) The number of initial license applications received for each license category.

	Received
Step 1 – Prequalification Applications	766
Step 2 – State Operating License Applications	467
Grower A	29
Grower B	5
Grower C	193
Processor	52
Provisioning Center	170
Secure Transporter	11
Safety Compliance Facility	7

(b) The number of initial applications approved and the number of initial license applications denied.

	Approved	Denied
Step 1 – Prequalification Applications	73	53
Step 2 – State Operating License Applications	37	8
Grower A	1	0
Grower B	0	0
Grower C	6	0
Processor	4	0
Provisioning Center	19	8
Secure Transporter	3	0
Safety Compliance Facility	4	0

(c) The average amount of time, from receipt to approval or denial, to process an initial application.

130 business days

(d) The total number of license applications approved by license category and by county.

County	Grower A	Grower B	Grower C	Processor	Provisioning Center	Secure Transporter	Safety Compliance Facility
Bay					1		
Crawford					1		
Genesee					1		
Ingham						1	
Jackson			1	1	2		
Kalamazoo							1
Oakland						1	2
Saginaw			4	1		1	
Tuscola					1		
Van Buren					1		
Washtenaw	1			1	5		1
Wayne			1	1	7		

(e) The total amount collected from application fees.

\$4,626,095.02

(f) The total amount collected from any established regulatory assessment.

\$1,248,000.00

(g) The costs of administering the medical marihuana facilities licensing and tracking program.

LARA-BMR – \$6,664,488.15
 Michigan State Police – \$1,279,637.62
 Attorney General – \$264,312.59

Total – \$8,208,438.36

Conclusion:

The Bureau of Marijuana Regulation's executive and legislative charge is the oversight of medical marijuana in Michigan. This includes the administration and oversight of the MMFLA. The information contained in this report is required pursuant to MCL 333.27302(I) and 333.27702 and Section 512 of Public Act 207 of 2018 and provides specific information regarding: applications submitted, applications approved, applications denied, licenses issued, revenue, expenditures, and timeliness information of the BMR for the time period beginning October 1, 2017 through September 30, 2018.