



Quarterly Report

July 1, 2019 – September 30, 2019



Governor
Gretchen Whitmer



Director
Orlene Hawks

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Medical Marijuana Facility Licensing

1. Executive Summary

The *Marijuana Regulatory Agency Quarterly Report* contains the reporting requirements pursuant to both MCL 333.27302(l) and 333.27702 and Section 512 of 2019 PA 60.

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

MRA's duties include all the following:

Reviewing the patterns of marijuana 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 MRA, the actions taken by the MRA, and any additional information and recommendations that the MRA considers appropriate or that the governor requests.

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

The MRA 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 marijuana facilities a report covering the previous year. The report shall include an account of the MRA actions, its financial position, results of operation under this act, and any recommendations for legislation that the MRA considers advisable.

2019 PA 60 requires the following:

Sec. 512. The department shall submit a report regarding the medical marijuana 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.*
- e. The total amount collected from application fees and regulatory assessments.*

f. The costs of administering the medical marijuana facilities licensing and tracking program.

Pursuant to these requirements, this report has been reviewed by the MRA 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 Marijuana Regulatory Agency (MRA) website at: www.Michigan.gov/MRA
- The *All About LARA* section – Legislative Reports of the Department of Licensing and Regulatory Affairs website at: www.Michigan.gov/LARA

2. Executive Background

The Medical Marijuana Facilities Licensing Act (MMFLA) is a state licensing program administered by the Marijuana Regulatory Agency (MRA), Michigan Department of Licensing and Regulatory Affairs (LARA). The program administers the MMFLA and Marijuana 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 July 1, 2019 through September 30, 2019.

3. METRC Information

a. General Information

General	
July 1, 2019 – September 30, 2019	
Total Sales	\$91,759,170.69
Total Flower Sold (lbs)	10,959.87
Retail Price of Flower (oz, mean)	\$232.81
Retail Price of Flower (oz, median)	\$279.06

Plants			
As of September 30, 2019			
Plant State	Active	Destroyed	On Hold
Immature	15,553	64,914	0
Vegetative	29,418	27,927	0
Flowering	49,437	4,520	0
Harvested	58,620	0	0

Packages	
As of September 30, 2019	
Package Type	Amount
Active	88,072
On Hold	391
In Transit	1,288
Finished	64,862
Discontinued	5,071

Transfers	
As of September 30, 2019	
Transfer Type	Amount
Completed	9,896
Overdue	21
Voided	227

b. Sales by Product Type

JULY	Product Type	Pounds Sold	Fluid Ounces Sold	Total Sales
	Flower	4,045.74		\$13,915,797.17
	Shake/Trim	206.36		\$455,697.73
	Concentrate	1,095.76		\$13,116,983.72
	Infused-Edible	7,772.74		\$2,394,193.07
	Infused Non-Edible Solid	298.14		\$202,160.05
	Infused Liquid		6,784.25	\$278,857.06
	Infused Non-Edible Liquid		924.36	\$11,096.04
July Total	13,418.74	7,708.61	\$30,374,784.84	

AUGUST	Product Type	Pounds Sold	Fluid Ounces Sold	Total Sales
	Flower	3,613.00		\$13,605,625.17
	Shake/Trim	240.79		\$517,040.79
	Concentrate	1,229.12		\$14,639,044.97
	Infused-Edible	8,854.53		\$2,607,184.15
	Infused Non-Edible Solid	309.49		\$204,070.08
	Infused Liquid		6,013.76	\$303,858.17
	Infused Non-Edible Liquid		709.49	\$9,670.83
August Total	14,246.93	6,723.25	\$31,886,494.16	

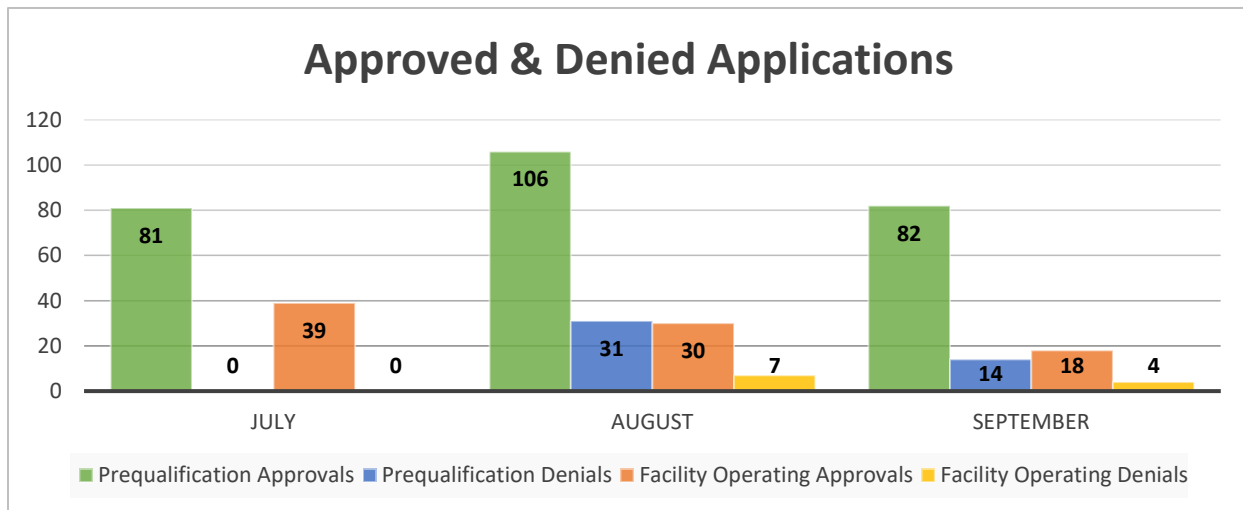
SEPTEMBER	Product Type	Pounds Sold	Fluid Ounces Sold	Total Sales
	Flower	3,301.13		\$13,078,020.86
	Shake/Trim	205.17		\$489,339.91
	Concentrate	1,073.37		\$12,719,520.84
	Infused-Edible	7,101.49		\$2,688,926.45
	Infused Non-Edible Solid	304.57		\$208,804.89
	Infused Liquid		5,507.58	\$300,308.33
	Infused Non-Edible Liquid		659.48	\$12,970.41
September Total	11,985.73	6,167.06	\$29,497,891.69	

T o t a l	Product Type	Pounds Sold	Fluid Ounces Sold	Total Sales
	Flower	10,959.87		\$40,599,443.20
	Shake/Trim	652.32		\$1,462,078.43
	Concentrate	3,398.25		\$40,475,549.53
	Infused-Edible	23,728.76		\$7,690,303.67
	Infused Non-Edible Solid	912.20		\$615,035.02
	Infused Liquid		18,305.59	\$883,023.56
	Infused Non-Edible Liquid		2,293.34	\$33,737.28
July 1, 2019 - September 30, 2019 Total	39,651.40	20,598.93	\$91,759,170.69	

4. Actions Taken by the MRA

a. Applications

	Approved & Denied Applications			
	Prequalification		Facility Operating	
	Approvals	Denials	Approvals	Denials
July	81	0	39	0
August	106	31	30	7
September	82	14	18	4
Total	269	45	87	11



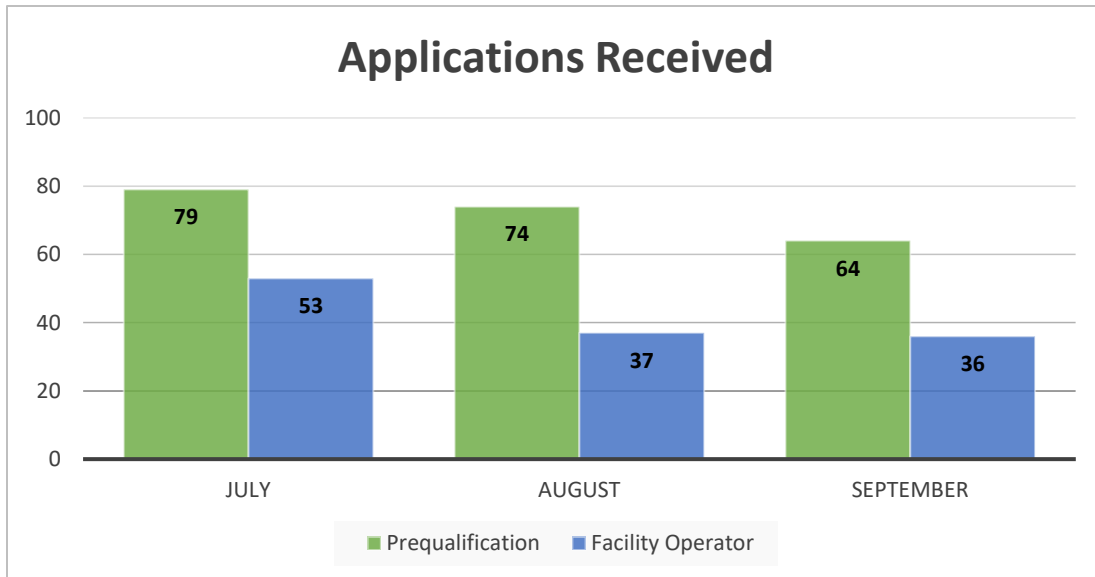
b. Disciplinary Actions

Disciplinary Actions Issued	
Action	Number
Warning Letter	4
Citation	7
Formal Complaint	2
Final Orders	1

- On August 16, 2019, the MRA summarily suspended Iron Laboratories, LLC, under the Medical Marihuana Facilities Licensing Act (MMFLA), MCL 333.27101 et seq., and rules promulgated thereunder. Pursuant to the October 9, 2019, Final Order, the summary suspension was dissolved. Iron Laboratories, LLC's license would be renewed if terms and conditions outlined in the consent order are met. Terms and conditions were also agreed to for continuing operations. Additionally, Iron Laboratories, LLC agreed to pay a \$100,000.00 fine.

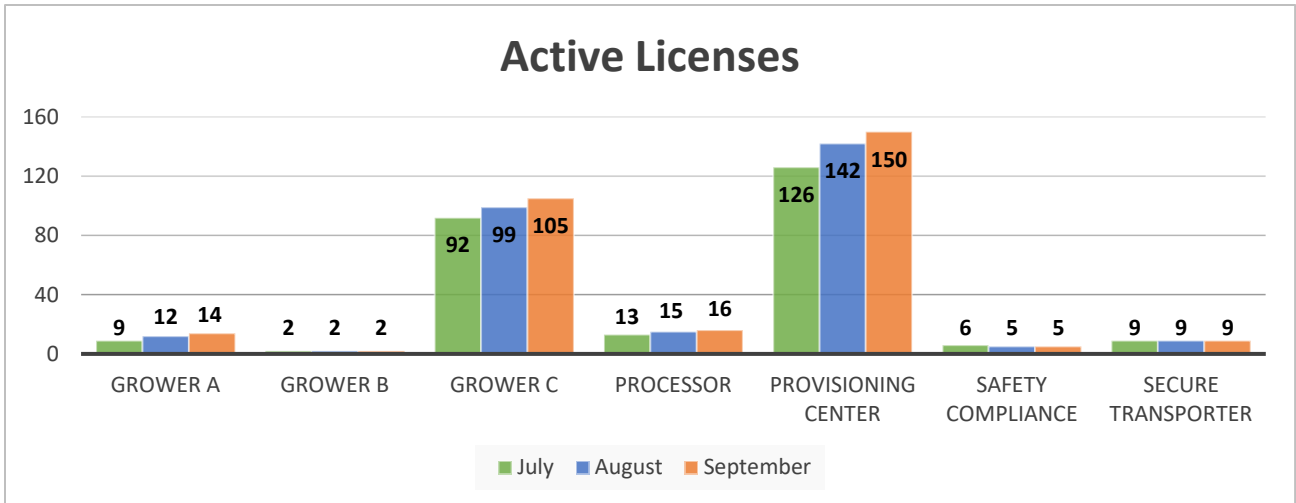
5. Number of Prequalification & Facility Operating License Applications Received

	Applications Received	
	Prequalification	Facility Operator
July	79	53
August	74	37
September	64	36
Fiscal Year 2019	217	126



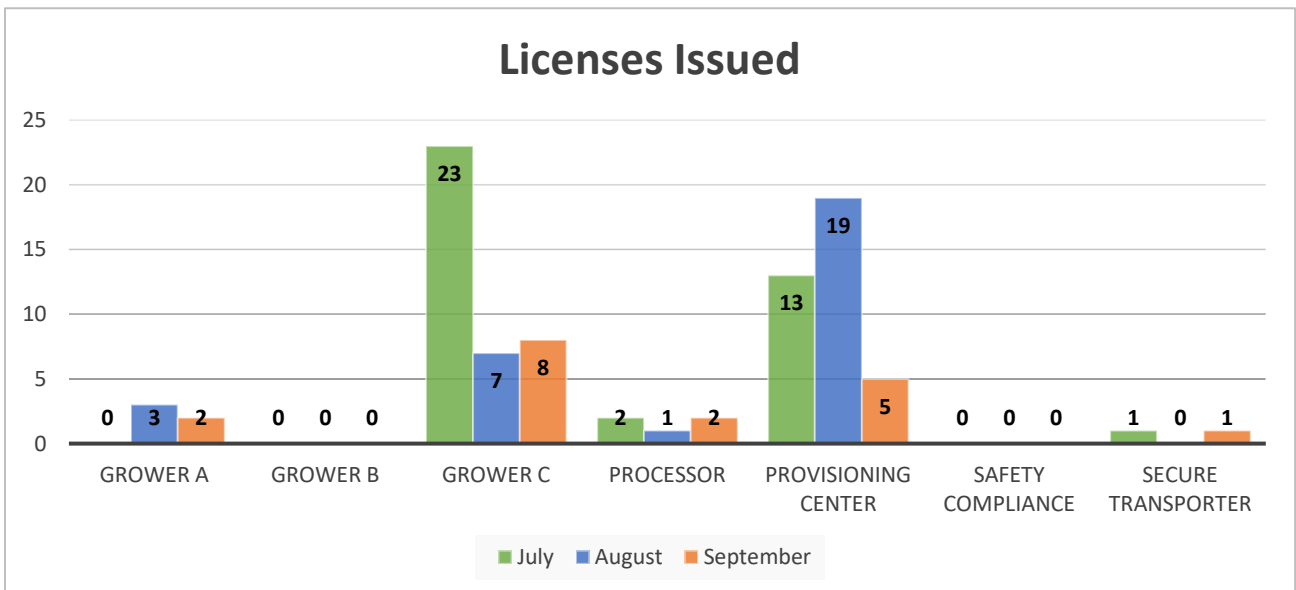
6. Number of Active Licensed Facility Operators in Each License Type

	Active Licenses						
	Grower A	Grower B	Grower C	Processor	Provisioning Center	Safety Compliance	Secure Transporter
July	9	2	92	13	126	6	9
August	12	2	99	15	142	5	9
September	14	2	105	16	150	5	9



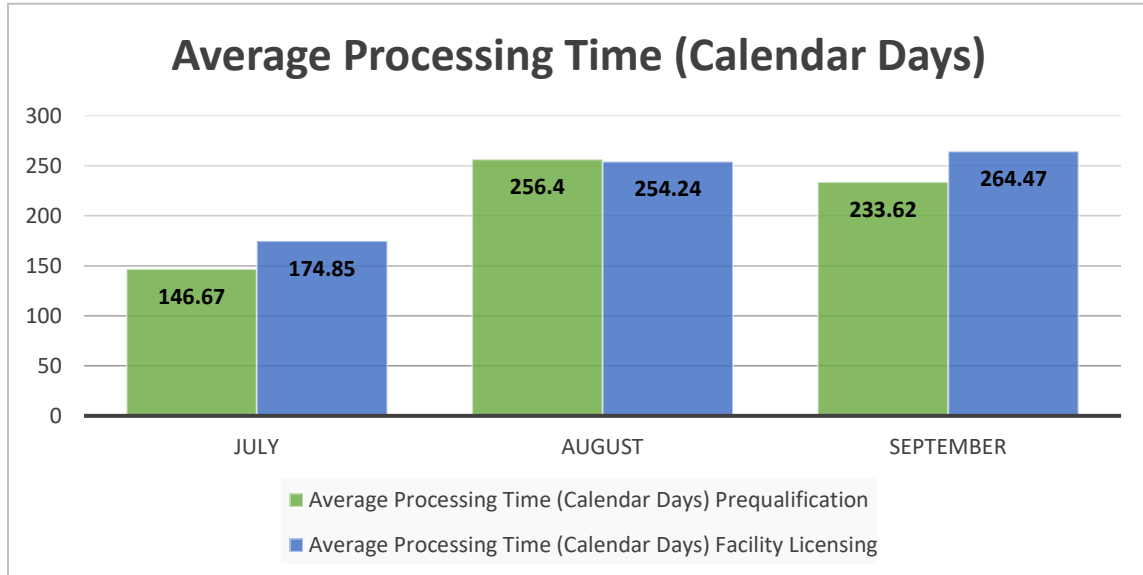
7. Number of Facility Operator Licenses Issued in Each License Type

Licenses Issued							
	Grower A	Grower B	Grower C	Processor	Provisioning Center	Safety Compliance	Secure Transporter
July			23	2	13		1
August	3		7	1	19		
September	2		8	2	5		1
Total	5	0	38	5	37	0	2



8. Average Time to Process an Application from Receipt to Approval or Denial

	Average Processing Time (Calendar Days)	
	Prequalification	Facility Licensing
July	146.67	174.85
August	256.40	254.24
September	233.62	264.47
Total	220.74	221.77



9. Gross Revenue Collected

	Revenue Collected
	Amount
July	\$3,489,067.00
August	\$2,345,538.28
September	\$2,402,458.00
Q4 Total	\$8,237,063.28
Fiscal Year 2019 Total	\$23,573,606.45

10. Costs of Administering the Medical Marijuana Facilities and Licensing Program

	Receipts and Disbursements
	Jul. 1 2019 – Sep. 30 2019
State Employee Wages	\$1,362,647.92
State Employee Benefits	\$712,664.38
Materials and Equipment	\$19,015.22
Medical Payments on Behalf of Clients	\$275.00
Educational Expenses on Behalf of Clients of Students	(\$17,399.38)
Other Contracts	\$10,334.25
All Other Costs	\$630,388.30
Total	\$2,717,925.69

11. Conclusion

The Marijuana Regulatory Agency'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(l) and 333.27702 and Section 512 of 2019 PA 60 and provides specific information regarding: applications submitted, applications approved, applications denied, licenses issued, revenue, expenditures, and timeliness information of the MRA for the time period beginning July 1, 2019 through September 30, 2019.

Medical Marijuana Registry Program

1. Executive Summary

The *Marijuana Regulatory Agency Quarterly Report* contains the reporting requirements pursuant to both MCL 333.26426(i) (1), (2), (3), (4) and (5) and Section 505 of 2019 PA 60.

The Michigan Medical Marihuana Act, Initiated Law 1 of 2008, Section 6 (i) [MCL 333.26426 (i), (1), (2), (3), (4) and (5)] states:

The department shall submit to the legislature an annual report that does not disclose any identifying information about qualifying patients, primary caregivers, or physicians, but does contain, at a minimum, all of the following information:

- a. The number of applications filed for registry identification cards.*
- b. The number of qualifying patients and primary caregivers approved in each county.*
- c. The nature of the debilitating medical conditions of the qualifying patients.*
- d. The number of registry identification cards revoked.*
- e. The number of physicians providing written certifications for qualifying patients.*

Section 505 of 2019 PA 60 states:

The department shall submit a report by January 31 to the standing committees on appropriations of the senate and house of representatives, the fiscal agencies, and the state budget director that includes all of the following information for the prior fiscal year regarding the medical marihuana program under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430:

- a. The number of initial applications received.*
- b. The number of initial applications approved, and the number of initial applications denied.*
- c. The average amount of time, from receipt to approval or denial, to process an initial application.*
- d. The number of renewal applications received.*
- e. The number of renewal applications approved, and the number of renewal applications denied.*
- f. The average amount of time, from receipt to approval or denial, to process a renewal application. The percentage of initial applications not approved or denied within the time requirements established in section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.*
- g. The percentage of renewal applications not approved or denied within the time requirements established in section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.*
- h. The percentage of registry cards for approved initial applications not issued*

within the time requirements established in section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

i. The percentage of registry cards for approved renewal applications not issued within the time requirements established in section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

j. The amount collected from the medical marihuana program application and renewal fees authorized in section 5 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26425.

k. The costs of administering the medical marihuana program under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430.

Pursuant to these requirements, this report has been prepared and issued electronically to the House and Senate appropriation standing committees, House and Senate Fiscal Agencies, and the state budget director to meet both the annual and January 31 reporting requirements. In addition, this report is also online under the following locations:

- The Marijuana Regulatory Agency (MRA) website at: www.Michigan.gov/MRA
- The *All About LARA* section – Legislative Reports of the Department of Licensing and Regulatory Affairs website at: www.Michigan.gov/LARA

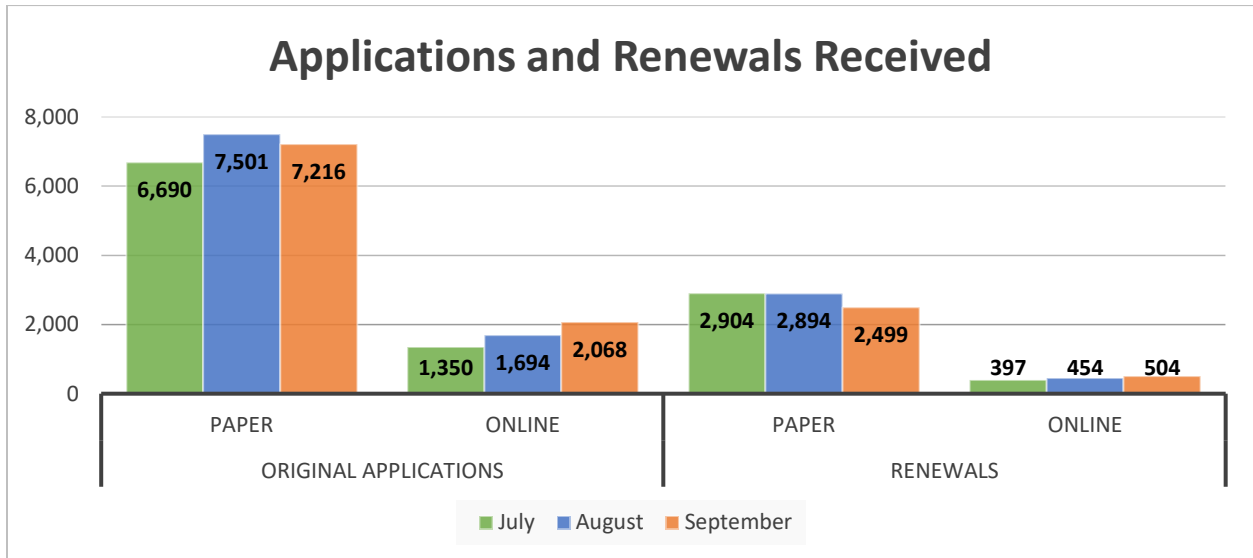
2. Executive Background

The Michigan Medical Marijuana Program (MMMP) is a state registry program within the Marijuana Regulatory Agency, Michigan Department of Licensing and Regulatory Affairs (LARA). The program administers the Michigan Medical Marihuana Act as approved by Michigan voters on November 4, 2008. The program implements the statutory tenets of this act in such a manner that protects the public and assures the confidentiality of its participants.

Specifically, the information provided in this report is based on data from July 1, 2019 through September 30, 2019.

3. Number of Initial, Renewal and Online Applications Received

	Applications and Renewals Received						
	Original Applications			Renewals			Grand Total
	Paper	Online	Total	Paper	Online	Total	
July	6,690	1,350	8,040	2,904	397	3,301	11,341
August	7,501	1,694	9,195	2,894	454	3,348	12,543
September	7,216	2,068	9,284	2,499	504	3,003	12,287
Total	21,407	5,112	26,519	8,297	1,355	9,652	36,171



4. Number of Qualifying Patients & Primary Caregivers Approved by County

As of September 30, 2019					
County	Patients	Caregivers	County	Patients	Caregivers
Alcona	501	65	Lake	383	69
Alger	354	84	Lapeer	3,310	547
Allegan	3,697	627	Leelanau	435	62
Alpena	789	102	Lenawee	4,076	630
Antrim	958	205	Livingston	4,678	623
Arenac	1,004	145	Luce	128	28
Baraga	169	23	Mackinac	263	41
Barry	1,758	309	Macomb	28,403	3,811
Bay	4,808	429	Manistee	620	108
Benzie	738	128	Marquette	950	274
Berrien	4,328	790	Mason	784	107
Branch	1,618	293	Mecosta	693	104
Calhoun	3,357	629	Menominee	589	122
Cass	1,621	300	Midland	2,041	237
Charlevoix	580	94	Missaukee	274	61
Cheboygan	632	104	Monroe	4,966	675
Chippewa	646	108	Montcalm	1,896	361
Clare	1,318	214	Montmorency	316	69
Clinton	2,320	324	Muskegon	4,137	534
Crawford	670	104	Newaygo	1,665	265
Delta	859	168	Oakland	36,925	4,199
Dickinson	730	166	Oceana	1,200	180
Eaton	3,694	601	Ogemaw	611	78
Emmet	596	87	Ontonagon	165	27
Genesee	13,906	2,254	Osceola	616	127
Gladwin	533	91	Oscoda	215	25
Gogebic	440	95	Otsego	501	93
Grand Traverse	1,964	332	Ottawa	4,207	489
Gratiot	737	111	Out of State	0	12
Hillsdale	1,674	310	Presque Isle	259	53
Houghton	486	78	Roscommon	747	125
Huron	697	64	Saginaw	4,948	625
Ingham	7,266	1,082	Saint Clair	4,357	597
Ionia	1,048	141	Saint Joseph	1,341	239
Iosco	757	98	Sanilac	1,078	165
Iron	347	64	Schoolcraft	170	35
Isabella	983	148	Shiawassee	2,709	425
Jackson	4,788	780	Tuscola	2,949	516
Kalamazoo	4,833	785	Van Buren	2,366	423
Kalkaska	582	129	Washtenaw	12,953	1,365
Kent	10,050	1,160	Wayne	48,079	5,291
Keweenaw	99	27	Wexford	1,032	192
			Total	276,970	37,875

5. Nature of Debilitating Medical Condition of Qualifying Patients

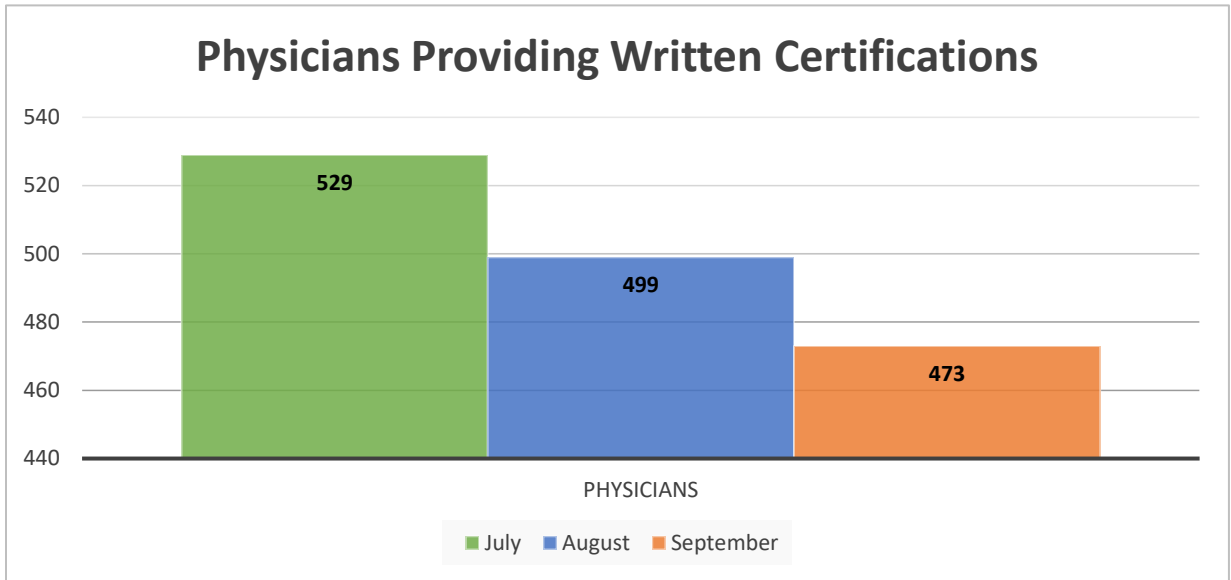
As of September 30, 2019		
Condition	Patients	Percent of Total
Severe and Chronic Pain	19,524	59.87%
Chronic Pain	17,021	52.20%
Arthritis	6,600	20.24%
Muscle Spasms	5,355	16.42%
Severe Nausea	2,531	7.76%
Post-Traumatic Stress Disorder	1,652	5.07%
Cancer	1,625	4.98%
Seizures	589	1.81%
Rheumatoid Arthritis	549	1.68%
Glaucoma	453	1.39%
Obsessive Compulsive Disorder	319	0.98%
Crohn's Disease	296	0.91%
Inflammatory Bowel Disease	297	0.91%
Hepatitis C	249	0.76%
Cachexia or Wasting Syndrome	154	0.47%
Colitis	147	0.45%
Spinal Cord Injury	134	0.41%
Ulcerative Colitis	115	0.35%
HIV Positive	111	0.34%
Autism	67	0.21%
Parkinson's Disease	69	0.21%
Cerebral Palsy	31	0.10%
Tourette's Syndrome	24	0.07%
AIDS	16	0.05%
Agitation of Alzheimer's Disease	13	0.04%
Amyotrophic Lateral Sclerosis	10	0.03%
Nail Patella	3	0.01%
Total	57,954	177.72%

6. Number of Registry Identification Cards Revoked

Registry Identification Cards Revoked	
Month	Revoked
July	0
August	0
September	0
Total	0

7. Number of Physicians Providing Written Certifications for Qualifying Patients

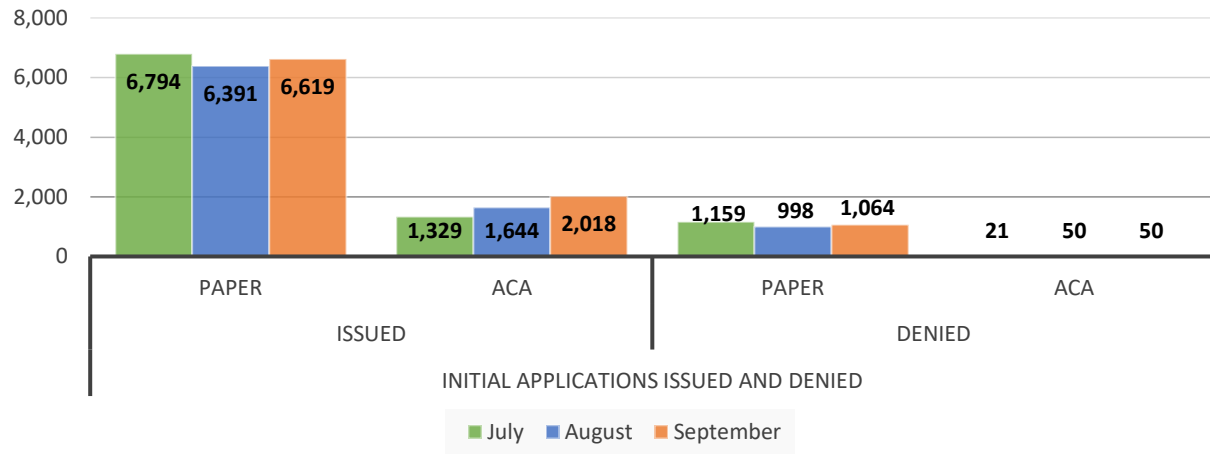
Physicians Providing Written Certifications	
Month	Physicians
July	529
August	499
September	473



8. Number of Initial Applications Issued & Denied

	Initial Applications Issued and Denied						
	Issued			Denied			Grand Total
	Paper	ACA	Total	Paper	ACA	Total	
July	6,794	1,329	8,123	1,159	21	1,180	9,303
August	6,391	1,644	8,035	998	50	1,048	9,083
September	6,619	2,018	8,637	1,064	50	1,114	9,751
Total	19,804	4,991	24,795	3,221	121	3,342	28,137

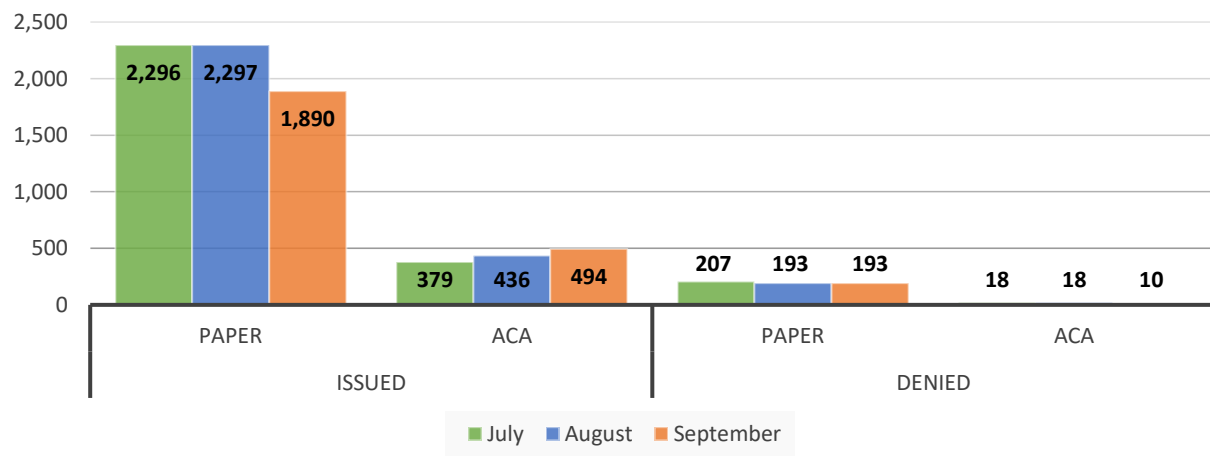
Initial Applications Issued & Denied



9. Number of Renewal Applications Issued & Denied

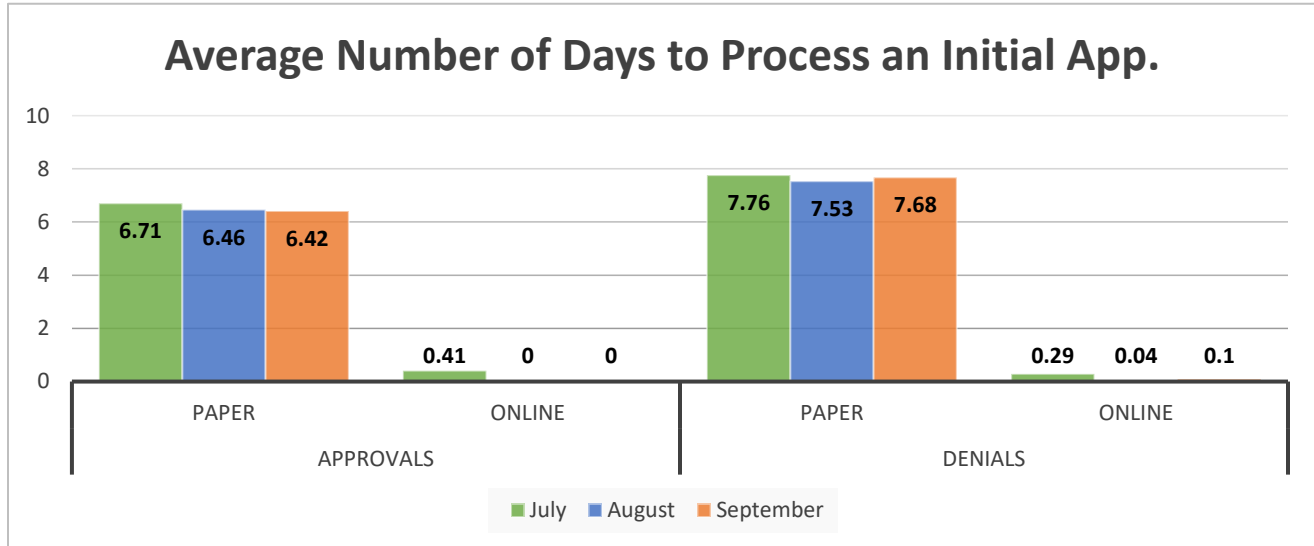
Renewal Applications Issued and Denied							
	Issued			Denied			Grand Total
	Paper	ACA	Total	Paper	ACA	Total	
July	2,296	379	2,675	207	18	225	2,900
August	2,297	436	2,733	193	18	211	2,944
September	1,890	494	2,384	193	10	203	2,587
Total	6,483	1,309	7,792	593	46	639	8,431

Renewal Applications Issued & Denied



10. Average Time to Process an Initial Application

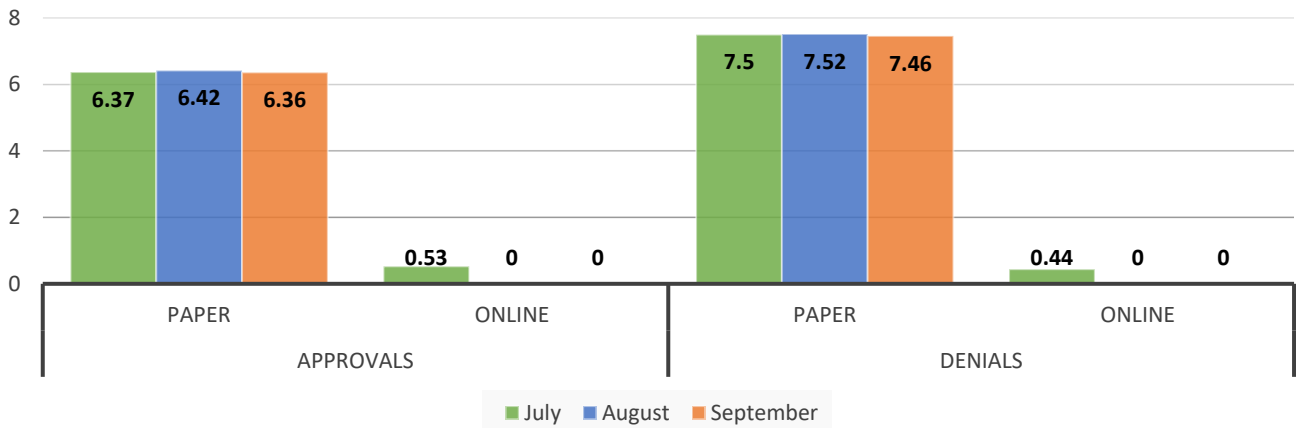
	Average Number of Days to Process an Initial Application						
	Approvals			Denials			% Not Compliant
	Paper	Online	Combined	Paper	Online	Combined	
July	6.71	0.41	5.68	7.76	0.29	7.62	0.00%
August	6.46	0.00	5.14	7.53	0.04	7.17	0.00%
September	6.42	0.00	4.92	7.68	0.10	7.34	0.00%



11. Average Time to Process a Renewal Application

	Average Number of Days to Process a Renewal Application						
	Approvals			Denials			% Not Compliant
	Paper	Online	Combined	Paper	Online	Combined	
July	6.37	0.53	5.54	7.50	0.44	6.94	0.00%
August	6.42	0.00	5.40	7.52	0.00	6.89	0.00%
September	6.36	0.00	5.04	7.46	0.00	7.09	0.00%

Average Number of Days to Process a Renewal App.



12. Registry Cards not Issued within Time Requirements

Registration Cards not Issued within Time Requirements		
	Applications	Renewals
July	0%	0%
August	0%	0%
September	0%	0%

13. Gross Revenue Collected

Revenue Collected	
	Amount
July	\$699,865.50
August	\$792,277.10
September	\$773,458.85
Q4 Total	\$2,265,601.45
Fiscal Year 2019 Total	\$7,616,466.33

14. Costs of Administering the Michigan Medical Marihuana Program

	Receipts and Disbursements
	Jul. 1 2019 – Sep. 30, 2019
State Employee Wages	\$576,761.54
State Employee Benefits	\$256,841.52
Materials and Equipment	\$47,518.85
Educational Expenses on Behalf of Clients of Students	(\$8,029.28)
Other Contracts	\$74,559.12
All Other Costs	\$680,340.14
Total	\$1,627,991.89

15. Conclusion

The Marijuana Regulatory Agency's executive and legislative charge is the oversight of medical marijuana in Michigan. This includes the administration and oversight of the MMMP. The information contained in this report is required pursuant to MCL 333.26426 (i) (1), (2), (3), (4) and (5) and Section 505 of 2019 PA 60 and provides specific information regarding: identification cards, patients and primary caregivers, the nature of debilitating medical conditions of qualifying patients, the number of physicians providing written certifications for qualifying patients, revenue, expenditures, application determinations, and timeliness information of the MMMP for the time period beginning July 1, 2019 through September 30, 2019.