

ADVISORY BULLETIN

September 15, 2022

Tips for License Renewal Applications

The Cannabis Regulatory Agency (CRA) is issuing this advisory bulletin to provide licensees with guidance on how to avoid common issues that delay the renewal processing times for adult-use establishment and medical facility licenses.

It is important that applicants submit all required documentation when submitting a renewal application. Failure to submit a complete application will result in delayed processing times.

Below are the most common deficiencies the CRA has identified while processing renewal applications:

• Submitting the renewal application without allowing adequate time to resolve deficiencies.

Adult-use licenses do not have a grace period once the license has expired. If the renewal application has deficiencies that are not resolved prior to the licensed expiration date, the licensee will receive a notice of non-renewal. Please allow 30 days processing time to avoid the expiration of the license.

• Waiting to submit the renewal application until a social equity discount is approved.

Renewal fees are assessed based on expiration date, not based on when the licensee submits the renewal application. If the licensee is within 90 days of their expiration date, the renewal fee has been assessed and the social equity discount will not be applied until the following year.

• Failing to keep the CRA updated with the correct contact information in accordance with Rule 14 of the Marijuana Licenses rule set.

The correct contact person needs to be provided to ensure renewal notices and other communications are being received.

• Submitting the renewal documentation without making the renewal payment.

The processing of renewal applications will not begin until the payment has been made.

• Submitting incorrect, outdated, or partially completed renewal application pages.

Ensure the most current version of the documents are being completed; utilize the renewal documents from the CRA website found <u>here</u>.



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• Submitting documentation for the incorrect licensing program.

Ensure the document you are completing is for the correct licensing program. For example, a medical grower should complete the medical renewal documentation. Check the upper right-hand corner to ensure if the document is for medical or adult-use.

• Submitting documentation with a partial or incorrect legal entity name or failing to use the full legal entity name.

The entity's full legal name must be indicated, including the entity designation; if the legal entity name is "Example, LLC" the documents cannot be completed as "Example."

• Submitting documentation signed by an individual who is not authorized to sign on behalf of the licensee.

Documentation must be completed by an individual who has been authorized to sign on behalf of the entity.

• Submitting documentation with incorrect or incomplete address information.

The address must match the existing address on file, including suites, buildings, or other designators. If the address has been altered, the CRA must be notified as soon as possible to make the corrections to the license.

• Submitting blurry or unreadable documents that the CRA is unable to review.

Please upload PDF documents to ensure applications can be processed without delay.

• Submitting a partial insurance policy.

The insurance policy must be active, and all pages of the insurance policy must be submitted as part of the renewal application.

• Failing to provide a copy of the marijuana liability insurance for retailers and microbusinesses (adult-use only).

This is a new requirement as of October 11, 2021. Licensees are required to have and maintain marijuana liability insurance. The insurance must be provided by a licensed and admitted insurance company in Michigan in a minimum amount of \$50,000 for actions brought against the licensee under section 11a of the MRTMA. Please see the <u>bulletin</u> for additional information.



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• Submitting an improper insurance policy.

- Submitting an insurance policy that is not issued by a licensed insurance company or licensed captive insurance company in this state.
- Submitting an insurance policy that includes a provision relieving an insurer from liability for payment of any claim for which the insured may be held liable under the act.
- Submitting an insurance policy that does not cover bodily injuries to a qualifying patient, including those caused by the intentional conduct of the licensee or its employee or agent. However, the policy would not have to cover bodily injuries to qualifying patients caused by the licensee or its employee or agent when acting with the intent to harm. Full text of the laws can be seen at the following links, <u>PA</u> <u>160</u> and <u>PA 161</u>. Adult-use licensees continue to be subject to requirements in Rule 10 of the Marijuana Licenses rule set <u>R 420.10</u>.

Questions about renewals can be sent to the Cannabis Regulatory Agency, License Maintenance Section via email at <u>CRA-AdultUseRenewals@michigan.gov</u> or <u>CRA-MMFLRenewals@michigan.gov</u> as applicable. For more information about the Cannabis Regulatory Agency, please visit <u>www.michigan.gov/CRA.</u>