

# Medical Marihuana Facilities Licensing Act

## Statistical Report For Fiscal Year 2019

Pursuant to MCL 333.27302(l) and 333.27702 and Section 512 of 2019 PA 60

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## 1. Executive Summary

The *Medical Marijuana Facilities Licensing Act Statistical Report for Fiscal Year 2019* contains the reporting requirements pursuant to 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 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](http://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](http://www.Michigan.gov/LARA)

## **2. Executive Background**

The Medical Marihuana 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 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, 2018 through September 30, 2019.

## Required for MCL 333.27302(I) and 333.27702

### 3. Patterns of Marijuana Transfers

	Wholesale				Infusion			
	Unit Transferred				Unit Transferred			
	Pounds	Fluid Ounces	Packages	Plants	Pounds	Fluid Ounces	Packages	Plants
October	67.04		10					
November	282.57	9,508.14	234					
December	431.13	6,301.18	323		116.75		24	
January	1,093.79	7,587.94	940		1,193.61	14.38	192	
February	391.94	795.63	722		508.97		116	
March	1,965.87	1,290.34	1,188		451.42		380	
April	1,885.72	1,041.78	1,464		11.52		25	
May	4,892.88	1,108.12	4,900		46.35		19	
June	7,134.52	2,093.95	8,100		127.28		15	
July	9,349.63	2,082.14	11,975					
August	10,479.56	2,129.65	14,457		71.77		9	
September	9,722.18	2,144.13	12,543		63.57		14	
<b>Total</b>	<b>47,696.83</b>	<b>36,083.01</b>	<b>56,856</b>	<b>0</b>	<b>2,591.24</b>	<b>14.38</b>	<b>794</b>	<b>0</b>

	Testing				Affiliate			
	Unit Transferred				Unit Transferred			
	Pounds	Fluid Ounces	Packages	Plants	Pounds	Fluid Ounces	Packages	Plants
October	2.63	156.00	65					
November	32.02	156.18	72		0.27		24	
December	29.52	189.71	284		55.59		28	
January	59.49	69.13	429		56.56	543.56	338	5,117
February	32.07	44.64	292		215.00	6.00	100	976
March	160.74	45.27	480		1,066.60	40.00	233	796
April	60.96	10.22	744		1,645.85	17.26	417	250
May	92.11	144.50	1,125		1,187.75		734	1,450
June	120.11	39.13	1,277		1,938.81	64.30	811	2,173
July	151.92	47.13	1,592		1,691.78		1,393	965
August	212.96	37.90	1,964		2,747.34		1,486	222
September	151.23	22.07	1,826		3,774.81		1,554	7,187
<b>Total</b>	<b>1,105.77</b>	<b>961.86</b>	<b>10,150</b>	<b>0</b>	<b>14,380.35</b>	<b>671.12</b>	<b>7,118</b>	<b>19,136</b>

Transfer Totals				
	Pounds	Fluid Ounces	Packages	Plants
<b>Total</b>	<b>65,774.19</b>	<b>37,730.37</b>	<b>74,918</b>	<b>19,136</b>

#### 4. Receipts and Disbursements

Receipts and Disbursements	
Amount	
State Employee Wages	\$4,271,007.64
State Employee Benefits	\$2,965,044.24
Materials and Equipment	\$74,408.09
Medical Payments on Behalf of Clients	\$390.00
Other Contracts	\$192,381.36
All Other Costs	\$3,471,152.00
<b>Total</b>	<b>\$10,974,383.33</b>

#### 5. Actions Taken by the Board

The Medical Marijuana Licensing Board under the Medical Marijuana Facilities Licensing Act, 2016 PA 281 was abolished per Executive Order 2019-7 and made effective April 30, 2019.

Actions Taken by the Board				
	Prequalification		Facility Operator	
	Approved	Denied	Approved	Denied
October	48	26	24	17
November	20	3	3	3
December	64	18	31	7
January	22	5	5	2
February	67	19	17	
March	87	21	28	7
April	83	6	29	
<b>Total</b>	<b>391</b>	<b>98</b>	<b>111</b>	<b>36</b>

## Required for Section 512 of 2019 PA 60

### 6. Number of Prequalification & Facility Operating License Applications Received

	Applications Received							
	Prequal.	Grower A	Grower B	Grower C	Processor	Provisioning Center	Safety Compliance	Secure Transporter
October	66	5		3	23	1		
November	50	4		7	12	3		
December	50	1	1	5	5	2		1
January	73	3		28	7	7		2
February	98	2		17	14	3	1	
March	73	2	1	12	21	2	1	2
April	69	1		13	8	6		2
May	63	2		13	14	3		3
June	75	3	1	18	15	7		2
July	79	3		17	24	7	1	1
August	74	5		18	7	4		3
September	64	3		10	14	5	1	3
<b>Fiscal Year 2019</b>	<b>834</b>	<b>34</b>	<b>3</b>	<b>161</b>	<b>164</b>	<b>50</b>	<b>4</b>	<b>19</b>

### 7. Number of Initial Applications Approved & Denied

	Approved & Denied Applications			
	Prequalification		Facility Operating	
	Approvals	Denials	Approvals	Denials
October	48	16	24	3
November	20	2	3	2
December	59	11	31	4
January	23	5	4	1
February	63	7	14	0
March	82	6	27	0
April	85	4	29	5
May	172	10	27	2
June	150	1	29	0
July	81	0	39	0
August	106	31	30	7
September	82	14	18	4
<b>Fiscal Year 2019</b>	<b>971</b>	<b>107</b>	<b>275</b>	<b>28</b>

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

	Average Processing Time (Calendar Days)	
	Prequalification	Facility Licensing
October	230.42	135.00
November	216.45	160.20
December	252.89	156.14
January	232.07	183.2
February	221.2	162.53
March	212.87	66.67
April	198.35	163.54
May	251.68	160.5
June	203.11	228.64
July	146.67	174.85
August	256.4	254.24
September	233.62	264.47
<b>Fiscal Year 2019</b>	<b>224.02</b>	<b>180.21</b>



## 9. Number of License Applications Approved by License Category and County

Licenses Issued by County								
County	Grower A	Grower B	Grower C	Processor	Provisioning Center	Safety Compliance	Secure Transporter	County Total
Allegan					1			1
Arenac			5	1	3			9
Barry	1							1
Bay	2		3	1	12			18
Berrien			3	1	1			5
Calhoun			3		7			10
Chippewa			1					1
Clare			1					1
Crawford			1	1	1			3
Eaton			10	1				11
Genesee			8		14		1	23
Gladwin			3		1			4
Hillsdale					2			2
Houghton					1			1
Ingham	2	1	4	1	9	1	2	20
Iosco					2			2
Isabella					1			1
Jackson		1	3	4	5		1	14
Kalamazoo				1	5			6
Kalkaska			1					1
Kent			1					1
Lapeer					3			3
Lenawee			6		5		1	12
Macomb	2		7	1		1	1	12
Muskegon					2			2
Newaygo					2			2
Oakland	1				5			6
Oscoda					1			1
Osceola			9		1			10
Otsego	1							1
Ottawa					1			1
Presque Isle					1			1
Saginaw			5		2		1	8
Saint Joseph					1			1
Schoolcraft			1					1
Tuscola	1				2			3
Van Buren	3		22		2			27
Washtenaw			1	1	8		1	11
Wayne			3		35			38
<b>Total</b>	<b>13</b>	<b>2</b>	<b>101</b>	<b>13</b>	<b>136</b>	<b>2</b>	<b>8</b>	<b>275</b>

**10. Total Amount Collected from Application Fees**

	Application Fees
	Amount
October	\$407,906.19
November	\$300,000.00
December	\$300,000.00
January	\$438,000.00
February	\$645,349.88
March	\$450,086.05
April	\$417,137.92
May	\$379,563.13
June	\$450,000.00
July	\$474,000.00
August	\$446,914.28
September	\$384,000.00
<b>Fiscal Year 2019</b>	<b>\$5,092,957.45</b>

**11. Total Amount Collected from Regulatory Assessment Fees**

	Regulatory Assessment Fees
	Amount
October	\$1,012,000.00
November	\$792,000.00
December	\$1,594,000.00
January	\$792,000.00
February	\$462,000.00
March	\$2,012,000.00
April	\$862,000.00
May	\$2,022,500.00
June	\$2,000,000.00
July	\$3,015,067.00
August	\$1,898,624.00
September	\$2,018,458.00
<b>Fiscal Year 2019</b>	<b>\$18,480,649.00</b>

## 12. Gross Revenue Collected

	Revenue Collected
	Amount
October	\$1,419,906.19
November	\$1,092,000.00
December	\$1,894,000.00
January	\$1,230,000.00
February	\$1,107,349.88
March	\$2,462,086.05
April	\$1,279,137.92
May	\$2,402,063.13
June	\$2,450,000.00
July	\$3,489,067.00
August	\$2,345,538.28
September	\$2,402,458.00
<b>Fiscal Year 2019</b>	<b>\$23,573,606.45</b>

## 13. Costs of Administering the Medical Marijuana Facilities and Licensing Program

\$10,974,383.33

## 14. 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 October 1, 2018 through September 30, 2019.