



**Mission:** The Marijuana Regulatory Agency will establish Michigan as the nation model for a regulatory program that stimulates business growth while preserving safe consumer access to marijuana.

**Vision:** The MRA will:

- Provide education to applicants, licensees, and all citizens on the mission and activities of the agency.
- Engage with all internal and external stakeholders in the development of policy, ensuring transparency and accountability.
- Commit to continuous quality improvement for all core business functions, using data as the driver for evaluation and decision-making.
- Provide opportunities for inclusion and professional development.

**Goal 1 - EDUCATION AND OUTREACH: Increase applicants, licensees, and the public’s understanding of the licensing processes (medical and adult-use) and the social equity program.**

Year One	Year Two	Year Three
<p><b>Medical:</b> Develop and disseminate educational materials to applicants and licensees regarding the licensing process:</p> <ul style="list-style-type: none"> <li>• After the rules take effect.</li> <li>• Thereafter, on a quarterly basis or as needed.</li> </ul> <p><b>This goal was met.</b> In June 2020, the website was updated, FAQs revised, and the Medical application instruction booklet and forms were updated in preparation for the release of the new topic-based rules and to be consistent with the corresponding Adult-Use (AU) materials as much as possible. In addition, Advisory Bulletins were issued re: the regulatory assessment fees for FY 2021 and the requirements for Annual Financial Statements. A decision was made to not issue a bulletin re: indirect ownership because it was determined that it was no longer needed.</p> <hr/> <p><b>Adult-Use:</b> Develop and disseminate educational materials to applicants and licensees regarding the licensing process:</p> <ul style="list-style-type: none"> <li>• After the rules take effect.</li> <li>• Thereafter, on a quarterly basis or as needed.</li> </ul> <p><b>This goal was met.</b> In June 2020, the website was updated, FAQs revised, and the AU application instruction booklet and forms were updated in preparation for the release of the new topic-based rules. In addition, Advisory Bulletins were issued re: Temporary Marijuana Events and Designated Consumption Establishments. Further, renewals were launched on August 18, 2020, and the website was updated to include renewal information, instructions, and FAQs. AU staff have contacted all licensees (individually) due for renewal to confirm they understand their renewal dates are approaching and there is no grace period. We had also planned to issue education materials after the amendment process was moved into Accela, but the project was postponed until FY 2021.</p>	<p><b>Medical:</b> Continue to develop and disseminate Educational materials to applicants and licensees regarding the licensing process on a quarterly basis or as needed.</p> <p><b>Financial Compliance Section (FCS):</b> Continue to develop and disseminate educational materials to applicants and licensees regarding the licensing and annual financial statement processes on a quarterly basis or as needed.</p> <p><b>Note:</b> During this fiscal year, the Licensing Division was restructured. The medical section was eliminated, and all application processing (medical and adult-use) was consolidated in the Licensing Section. In addition, the FCS was created to review and process annual financial statements (AFS) for both medical and adult-use licensees.</p> <p><b>This goal was met.</b> The FCS issued advisory bulletins to licensees on 1/6/2021 and 5/5/2021 regarding the due dates and forms required for the licensees’ AFS. In addition, the section issued a bulletin via email blast to licensees providing guidance on the best accounting practices to utilize to successfully comply with the AFS. Further, the FAQs were updated for AFS.</p> <hr/> <p><b>Adult-Use Licensing Section:</b> Continue to develop and disseminate educational materials to applicants and licensees regarding the licensing process on a quarterly basis or as needed.</p> <p><b>Note:</b> The adult-use section was eliminated, and all application processing was consolidated in the Licensing Section.</p> <p><b>This goal was met.</b></p> <ul style="list-style-type: none"> <li>• On 11/13/2020, the section issued a bulletin and email blast announcing the requirement to hold a medical license for some adult-use license types and the fast-track process were being eliminated effective 3/1/2021.</li> <li>• On 3/1/2021, the section issued a bulletin reiterating the changes to the forms and</li> </ul>	<p><b>Medical &amp; Adult-Use:</b> Continue to develop and disseminate educational materials to applicants and licensees regarding the licensing process on a quarterly basis or as needed. Continue to develop and disseminate educational materials to applicants and licensees regarding the licensing and annual financial statement processes on a quarterly basis or as needed.</p> <hr/> <p><b>Social Equity:</b> Sponsor educational sessions provided by our state agency partners (1/2 day or 1 day) regarding starting and running a business.</p> <ul style="list-style-type: none"> <li>• Quarterly</li> </ul> <p>Sponsor educational sessions provided by our state agency partners regarding starting and running a business and other topics of interest to stakeholders.</p> <ul style="list-style-type: none"> <li>• Twice per month</li> </ul> <hr/> <p><b>Social Equity:</b> Obtain funding and contract with 1-2 vendors to provide individual guidance and assistance to qualified social equity candidates regarding some aspect of their planned or existing marijuana establishment</p>



**Social Equity:** Sponsor educational sessions provided by our state agency partners (1/2 day or 1 day) regarding starting and running a business.

- Two sessions in FY 2020

**This goal was met.**

The Social Equity Team hosted 2 business workshops (Exclusive Brands and Cannabis Capital) in September 2020. Also, the Social Equity Team held a total of 39 education and outreach sessions. Currently in FY 2021, these are being held monthly.

adult-use licensing process due to the requirement to hold a medical license for some adult-use license types and the fast-track process being eliminated.

- On 7/7/2021, the section issued a bulletin and email blast to applicants and licensees announcing that amendments can now be submitted online and explaining the process. It also provided guidance on when an applicant or licensee is required to submit a reporting form.
- Website content and FAQs have been updated throughout the fiscal year whenever necessary due to changes in processes, the law, or the rules.

**Adult-Use:** After the requirement that an applicant must hold a medical license to be eligible for certain license types is removed, conduct education and outreach regarding the online application process.

**N/A. The adult-use section was eliminated.**

**Social Equity:** Sponsor educational sessions provided by our state agency partners (1/2 day or 1 day) regarding starting and running a business.

- Quarterly

Sponsor educational sessions provided by our state agency partners regarding starting and running a business and other topics of interest to stakeholders.

- Monthly

**This goal was met.**

The Social Equity Program hosted and facilitated 18 educational sessions.



**Goal 2 - STAKEHOLDER ENGAGEMENT: Promote stakeholder participation and inclusion in the development of licensing policy and procedures**

Year One	Year Two	Year Three
<p><b>Licensing Division:</b> Will hold one stakeholder work group, obtain feedback and input regarding the licensing process, and adopt suggested changes when feasible.</p> <p><b>This goal was partially met.</b> The Licensing Workgroup was held on September 21, 2020. The review of the feedback that was provided and the consideration of potential changes was reviewed and 1 recommendation re: applicants being able to access a pre-plan review through the Bureau of Fire Services is being researched for a potential implementation as a pilot. Stakeholders were updated re: the suggestions in November 2020, which was after the end of FY 2020.</p> <hr/> <p><b>Social Equity Program:</b> Will hold one stakeholder work group, obtain feedback and input regarding the program, and adopt suggested changes when feasible.</p> <p><b>This goal was met.</b> Social Equity (SE) held workgroups on February 5, 2020 in Detroit and on February 12 in Muskegon and the program criteria was subsequently expanded in response to the workgroup's recommendations.</p> <hr/> <p><b>Licensing Division &amp; Social Equity Program:</b> Will track stakeholder recommendations and notify stakeholders of any changes to policy or procedure based on input from stakeholders.</p> <p><b>This goal was met for SE in FY 2020.</b> Stakeholders who participated in the workgroup were notified of the changes that were adopted based on their recommendations. As far as Licensing, the work group was held on September 21, 2020. Stakeholders of a potential procedure change based on their recommendations in November 2020. Therefore, this goal was only partially met for the Licensing Division (Medical and AU Sections).</p>	<p><b>Licensing Division:</b> Will hold two (every 6 months) stakeholder work groups, obtain feedback, and input regarding the licensing process, and adopt suggested changes when feasible. Will hold two stakeholder work groups, obtain feedback, and input regarding the licensing process, and adopt suggested changes when feasible. Will consist of AU, Medical and SE in one workgroup. Additionally, one stakeholder workgroup to obtain feedback and input regarding the annual financial statement process for AU and Medical will be held.</p> <p><b>This goal was met.</b></p> <ul style="list-style-type: none"> <li>On 4/20/2021, the AFS Workgroup for Licensees was held.</li> <li>On 5/19/2021, the AFS Workgroup for Certified Public Accountants was held.</li> <li>On 6/2/2021, the Licensing and Social Equity Workgroup was held.</li> </ul> <hr/> <p><b>Social Equity Program:</b> Will hold two (every 6 months) stakeholder work groups, obtain feedback and input regarding the program, and adopt suggested changes when feasible.</p> <hr/> <p><b>Licensing Division &amp; Social Equity Program:</b> Will track stakeholder recommendations and notify stakeholders of any changes to policy or procedure based on input from stakeholders.</p> <p><b>This goal was met.</b></p> <ul style="list-style-type: none"> <li>On 9/17/2021, the MRA sent workgroup participants responses to the recommendations they provided during the AFS Licensee and CPA Workgroups and posted the recommendations and our responses on the MRA website.</li> <li>On 9/20/2021, the MRA sent workgroup participants responses to the recommendations they provided during the Licensing and Social Equity Workgroup and posted the recommendations and our responses on the MRA website.</li> <li>Several recommendations require further review and analysis before the MRA decides whether the proposed changes can be adopted. When those decisions are made, the MRA will notify the workgroup participants.</li> </ul>	<p><b>Licensing Division:</b> Will hold two (every 6 months) stakeholder work groups, obtain feedback and input regarding the licensing process, and adopt suggested changes when feasible. Will hold two stakeholder work groups, obtain feedback and input regarding the licensing process, and adopt suggested changes when feasible. Will consist of AU, Medical and SE in one workgroup. Additionally, one stakeholder workgroup to obtain feedback and input regarding the annual financial statement process for AU and Medical will be held.</p> <hr/> <p><b>Social Equity Program:</b> Will hold two (every 6 months) stakeholder work groups, obtain feedback and input regarding the program and adopt suggested changes when feasible.</p> <hr/> <p><b>Licensing Division &amp; Social Equity Program:</b> Will track stakeholder recommendations and notify stakeholders of any changes to policy or procedure based on input from stakeholders.</p>



**Goal 3 - CONTINUOUS QUALITY IMPROVEMENT: Improve customer service by decreasing application processing times**

Year One	Year Two	Year Three
<p><b>Medical:</b> Decrease average time to process prequalification and facility license applications by 10% from the previous FY.</p> <p>Targets to meet this objective were 201.618 calendar days for Step 1 applications and 162.189 calendar days for Step 2 applications. For FY 2020, the average processing time for Step 1 applications was 156.80 calendar days (goal met) and for Step 2 applications it was 179.08 calendar days (goal not met). Medical staff have conducted a review of the Step 2 applications processed and identified the following reasons why the metric was not met 1) applicants have continued to submit applications when their facilities are not ready for inspection. They believe this gets them in line and an inspection scheduled which is false. 2) Some analysts initially were not following procedures for making contact with applicants or changing the status to inactive if the facility was not ready for inspection within 60 days. The situation with the analysts has been addressed. To further address the issue, the Medical Section has issued an advisory bulletin to applicants and licensees re: common issues that delay processing (submitting Step 2 when facility is not ready) and we are researching the potential to have facilities go through a pre-plan review with BFS prior to the applicant submitting a Step 2 application to decrease processing times.</p> <hr/> <p><b>Adult-Use:</b> Decrease average time to process prequalification and establishment license applications by 10% from the previous FY. Process 100% of complete applications within 90 days of receipt of the application.</p> <p>AU was launched in November 2019, so there was no baseline data for the average processing time. This goal was changed to "Process 100% of complete applications (Step 1 and Step 2) within 90 days of receipt of the application. Based on the change, this goal was met. The average processing times for AU Step 1 applications: was 20.70 calendar days and for Step 2 applications it was 32.54 calendar days.</p>	<p><b>Medical:</b> Decrease average time to process prequalification and facility license applications by 10% from the previous FY.</p> <p><b>This goal was met.</b></p> <p>Step 1: For FY 2020, a step 1 application was processed on average in 156.80 days. A 10% decrease in processing time is a target goal of 141.12 days for FY 2021. In FY 21, the average step 1 application was processed in 71.97 days. Processing time decreased 54.10% in FY 2021 likely due to refining application processes and aligning the medical process with the adult-use process. Also, there was a decrease in the number of applications received.</p> <p>Step 2: For FY 2020, a step 2 application was processed on average in 179.08 days. A 10% decrease in processing time is a target goal of 161.17 days for FY 2021. In FY 2021, the average step 2 application was processed in 82.80 days. Processing time decreased 53.76% in FY 2021 likely due to refining application processes and aligning the medical process with adult-use. Also, there was decrease in the number of applications received.</p> <hr/> <p><b>Adult-Use:</b> Decrease average time to process prequalification and establishment license applications by 10% from the previous FY. Decrease average time to process prequalification and establishment license applications by 5% from the previous FY.</p> <p>(Selected 5% because the processing times for AU were artificially deflated in FY 2020 due to the fast-track process, which is being eliminated on 3/1/2021).</p> <p><b>This goal was not met.</b></p> <p>Step 1: For FY 2020, a step 1 application was processed on average in 20.94 days. A 5% decrease in processing time is a target goal of 19.89 days for FY 2021. In FY 2021, the average step 1 application was processed in 60.5 days. Processing time increased 188.92 % in FY21 due to application volumes and removing the "fast-track" application process.</p>	<p><b>Medical:</b> Decrease average time to process prequalification and facility license applications by 10% from the previous FY.</p> <hr/> <p><b>Adult-Use:</b> Decrease average time to process prequalification and establishment license applications by 10% from the previous FY.</p> <p>Decrease average time to process prequalification and establishment license applications by 5% from the previous FY.</p> <hr/> <p><b>Social Equity:</b> 90% of Social Equity program applications will have an eligibility determination made within 5 days of receipt.</p> <p>90% of Social Equity program applications will have an eligibility determination made within 3 days of receipt.</p>



**Social Equity:** 85% of Social Equity program applications will have an eligibility determination made within 5 days of receipt.

**This goal was not met.**

56% of the SE applications received in FY 2020 were processed within 5 days of receipt. The goal was not met for the following reasons 1) The Division Director delayed development of the online application because other projects were a higher priority 2) There was a backlog at the beginning of FY 2020 that had to be addressed 3) SE processes had to be modified to meet the goal because of the amount of time staff spent traveling and the transition to teleworking due to Covid. This goal was met 5 of the 12 months in FY 2020, including the last 2 months of FY 2020. The online application for SE went live on 12/08/2020, so the chances of meeting this goal in FY 2021 have significantly improved.

Step 2: For FY 2020, a step 2 application was processed on average in 32.09 days. A 5% decrease in processing time is a target goal of 30.49 days for FY 2021. In FY 2021, the average step 2 application was processed in 39.01 days. Processing time increased 21.56% in FY 2021 due to application volumes. However, 200 more licenses were issued in FY 2021 compared to FY 2020, and no application exceeded the statutory time frame for processing (90 days).

**Note:** This goal will remain the same for FY 2022. The processing times for adult-use were more realistic after the fast-track process was eliminated. However, we plan to re-evaluate the fast-track process to determine if certain portions can be readopted into the licensing process.

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**Social Equity:** ~~90% of Social Equity program applications will have an eligibility determination made within 5 days of receipt.~~ 85% of Social Equity program applications will have an eligibility determination made within 5 days of receipt. (Selected 85% instead of 90% because this goal was not met in FY 2020).

**This goal was met.** 97% (1230 of 1269) of the social equity applications received were processed within 5 days of receipt.



**Goal 4 - EMPLOYEE TRAINING & DEVELOPMENT: Provide employees with the training and skills necessary to perform their job duties and prepare them for advancement opportunities**

Year One	Year Two	Year Three
<p>All staff will participate in at least one continuous quality improvement training activity.</p> <p><b>This goal was met.</b> All Licensing staff (Intake, Medical, and AU) completed the eight Lean Process Improvement (LPI )101 online modules.</p> <hr/> <p>All staff will complete at least one professional development activity through Civil Service.</p> <p><b>This goal was met.</b> All Licensing staff completed at least one online professional development course through Civil Service.</p> <hr/> <p>10% of Division staff will participate (as a lead or team member) in a project designed to implement or improve a business process.</p> <p><b>This goal was met.</b> At least 11 of the 44 staff in the Licensing Division participated in a project during FY 2020 as a lead or a team member.</p>	<p>All staff will participate in two continuous quality improvement training activities.</p> <p><b>This goal was met.</b></p> <ul style="list-style-type: none"> <li>All division staff completed the Lean DIY</li> <li>A process improvement plan was implemented for the division. There is a template division staff complete to offer recommendations for process improvements with an explanation for why the recommendation should be implemented. Upon receipt of process improvement suggestion, a meeting occurs with management for consideration. If it is approved for implementation, the individual who made the recommendation is notified and participates in the implementation. In FY 2021, staff provided 10 ideas and 5 were implemented.</li> <li>The division held team building exercises to improve their ability to work together as a team.</li> </ul> <hr/> <p>All staff will complete at least two professional development activities through Civil Service.</p> <p><b>This goal was not met.</b> 40 of the division's 41 staff members completed two civil service courses.</p> <hr/> <p>20% of Division staff will participate (as a lead or team member) in a project designed to implement or improve a business process.</p> <p><b>This goal was met.</b> At least 5 of the 41 staff members participated in either the rules or the marijuana liability insurance project. In addition, 20% of division staff (5-6 staff members) participate in the bi-weekly DevOps meetings in which process improvements also are identified, tracked, and implemented on a regular basis.</p>	<p>All staff will participate in three continuous quality improvement training activities.</p> <hr/> <p>All staff will complete at least three professional development activities through Civil Service.</p> <hr/> <p>30% of Division staff will participate (as a lead or team member) in a project designed to implement or improve a business process.</p>