

# **ADVISORY BULLETIN**

March 7, 2022 Supersedes May 21, 2020

## Fees under the Medical Marihuana Facilities Licensing Act

The purpose of this bulletin is to advise potential medical marijuana licensees of the fees associated with facility licensing under the Medical Marihuana Facilities Licensing Act (MMFLA).

The MMFLA requires the Cannabis Regulatory Agency (CRA) to collect two separate fees: the medical marihuana facility license application fee and a regulatory assessment fee. The MMFLA also allows a local municipality to collect from an applicant a nonrefundable fee of up to \$5,000 to defray certain costs associated with the operation of a marijuana facility in the municipality.

#### Municipality Fee (Local):

- This fee is not determined or collected by CRA.
- This local-level fee is in addition to the state-level fees collected by CRA.

#### Medical Marihuana Facility License Application Fee (State):

- This is a state-level fee that is nonrefundable.
- The application fee is set by administrative rule and is currently \$3,000.
- This one-time application fee offsets the costs incurred by CRA, the Michigan State Police, and the contract costs for investigative services to conduct background investigations.

### Annual Regulatory Assessment Fee (State):

- This annual fee is a state-level fee and is nonrefundable.
- The initial regulatory assessment is not assessed or paid until the applicant has been approved for licensure.
- The regulatory assessment is set annually and is announced by bulletin prior to the beginning of the new state fiscal year. The state fiscal year runs from October 1 through September 30.
- Section 603 of the MMFLA requires certain costs to be included in determining the total amount of the regulatory assessment as follows:
- Safety compliance facilities are exempted by statute from paying a regulatory assessment.
  - CRA's annual operational costs to implement, administer, and enforce the MMFLA.
  - Cost of medical marihuana related services provided to CRA by the Department of the Attorney General, the State Police, and the Treasury.
  - Support costs of the statewide monitoring system.
  - \$500,000 annually toward licensing substance abuse disorder programs.
  - Allocates an amount as provided in the MMFLA to the Department of Health and Human Services for substance abuse related expenses.
  - Expenses related to the standardized field sobriety tests administered in enforcing the Michigan vehicle code.

The Cannabis Regulatory Agency Medical Facilities Licensing may be contacted via email at <u>CRA-Applications@michigan.gov</u> or by phone at 517-284-8599. For more information about the Cannabis Regulatory Agency, please visit <u>www.michigan.gov/CRA</u>.