

ADVISORY BULLETIN

November 17, 2017

Fees under the Medical Marihuana Facilities Licensing Act

The purpose of this bulletin is to advise the public and potential medical marihuana licensees of the Bureau of Medical Marihuana Regulation's (BMMR) intended fee structure for medical marihuana facility licensing. This bulletin is only for advisory purposes and is subject to change.

The MMFLA requires BMMR 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 a nonrefundable fee of up to \$5,000 for a potential licensee to operate within its boundaries.

Municipality Fee (Local)

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

Medical Marihuana License Application Fee (State)

- This is a state-level fee and is nonrefundable.
- This one-time application fee offsets the costs incurred by the Department of Licensing and Regulatory Affairs (LARA), the Michigan State Police, and the contract costs for investigative services to conduct background investigations.
- The application fee must be submitted before application can be processed.
- BMMR intends to set the application fee at \$6,000 when the emergency rules are released.

Annual Regulatory Assessment Fee (State)

- This annual fee is a state-level fee and is nonrefundable.
- The regulatory assessment offsets LARA's annual operational costs to implement, administer, and enforce the MMFLA.
- The regulatory assessment offsets the expenses of medical-marihuana-related services provided to LARA by the Departments of the Attorney General, the State Police, and the Treasury.
- The regulatory assessment covers support costs of the statewide monitoring system.



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- Provides \$500,000 annually toward licensing substance abuse disorder programs, as required by statute.
- Allocates an amount as provided in the MMFLA to the Department of Health and Human Services for substance abuse-related expenses.
- Covers expenses related to the standardized field sobriety tests administered in enforcing the Michigan vehicle code.
- The regulatory assessment is not paid until after board approval for licensure occurs; it is the final step prior to the issuance of the license.
- The regulatory assessment is collected annually and can change each year; the new fee level will be announced by LARA prior to the start of the new fiscal year.
- The regulatory assessment does not apply to safety compliance facility licenses.

This bulletin does not constitute legal advice and is subject to change. It is intended to be advisory only, in anticipation of the Department of Licensing and Regulatory Affairs' promulgation of emergency rules consistent with statutory requirements. Potential licensees are encouraged to seek legal counsel to ensure their licensure applications and operations comply with the Medical Marihuana Facilities Licensing Act and associated administrative rules.

More information on the BMMR can be found at the bureau's website: www.michigan.gov/bmmr.

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