



LARA / MMFL FAQs

## Medical Marihuana Facility Licensing Frequently Asked Questions

DISCLAIMER: "The answers provided are not meant to be a substitute for legal advice."

### Application Questions

- Please help me with the terms. Who is an "applicant"? What is an "affiliate"? Who must file an application? Who is subject to the disclosures in the application process for a medical marihuana facility? What is a "true party of interest"?
- When can I apply for my license? What are the different licenses I can apply for? When will LARA stop taking applications?
- What other things may potentially prevent an applicant from getting approved for a license?
- Can a person apply for a license prior to a municipality adopting the ordinance?
- Can you clarify to what extent the "character" of the applicant is considered?
- Can the Department provide clarification on what will be included in the background check?
- Can you submit the entire application if you are still awaiting municipality approval?
- Can you apply without a business location?
- Do you have a list of municipalities that have opted in or are planning to?
- Can an applicant have the online system provide correspondence to more than one person?
- What type of correspondence or communication should an applicant expect from LARA during the application process and after licensure?
- Is there a way to confirm that application has been completed correctly prior to paying the application fee?
- Are there concerns about LARA website crashing on December 15th? What level of support will be available for the portal? What will be the response time for support help?
- When uploading supporting documents for an entity, how do you determine which document is for which individual?
- Does every person in an entity have to be two-year resident?
- When can I use a P.O. Box?
- Can I apply for a facility license if I have marijuana medical card?
- Who is a "managerial employee of the applicant?"
- If an application is submitted and missing information can it be supplemented later?
- Can you pay fees online?
- Will I have to pay fees for background investigations based on the number of background investigations needed in my application?

- Is it better to wait and submit full application (step 1 and 2) or submit step 1 right away while wait for municipality ordinance?
- How do attorneys or other entities submit materials on someone else's behalf?
- What is expected for a description in the comments box on the application?
- Where do I go to submit my application?
- How does the application process work and who can apply for a license?
- I plan on seeking multiple licenses from LARA, do I have to pay the \$6000 application fee for each license?

## Licensing Questions

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- What will the costs be for a license?
- Does my criminal history prevent me from obtaining a license?
- What prohibits a person from obtaining a license?
- What is the residency requirement for licensure?
- Can a municipality be a licensee?
- I plan on seeking multiple licenses from LARA, do I have to pay the \$6000 application fee for each license?
- How does the application process work and who can apply for a license?
- How many facilities will be issued licenses?
- Does my municipality have any involvement with my license?
- Will the Department issue provisional licenses?
- Can the Department clarify the objective standards and subjective standards required for licensure?
- Will my license expire and how often will I have to renew my license?
- Where can I find more information on each type of license?
- Is the state going to limit the number of licenses issued?
- Can you upgrade your license from a grower A to B or C without completing a new application?
- If you get licensed as an individual and then later create a company with a different business structure, can that change be made to the license?

## Regulatory Questions

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- Will co-location of facilities be allowed?
- Will the Department allow for licensing stacking?
- What are the capitalization requirements?
- What will be the financial requirement for licensure?
- What is used to determine business probity?
- Who are the rules being created by?
- Since financial institutions generally disfavor cannabis businesses what procedure does the state have in place to accept fees and taxes?

## Board Questions

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- What does the Medical Marijuana Licensing Board ("the board") do?

- Will an application be submitted to the board anonymously to reduce bias?
- Will there be a point system when evaluation a licensing application?
- How can people get information from the board and Department?

## **Grower & Processor Questions**

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- How is your plant count determined as it affects your growing limits as a Class A, B, C Grower Licenses?
- Will there be regulations on extract production?
- Does product have to go from a grower to a processor or can I sell my product directly to a provisioning center?

## **Rule Questions**

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- Can the Department clarify the intent of Rule 24(2)(c)?

## **Provisioning Center Questions**

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- Will provisioning centers be held accountable for educating patients who buy from their store?
- Can you be a caregiver and be licensed for a provisioning center?
- What will the cost be for transportation and will there be limits on charges?

## **Secure Transporter Questions**

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- Is the fee for transportation a pre-determined fee set by the state?
- Can a secure transporter deliver product anywhere in the state or just within the city where it has its license?

## **Statewide Marihuana Monitoring System**

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- How are tags produced for seed-to-sale tracking?
- Am I responsible for any of the costs associated with ordering tags?
- Can I sell or transfer unused tags to another facility?

## **Proposed Medical Marihuana Facilities Continuing to Operate with Local Approval**

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- Is it accurate that LARA will not consider a proposed medical marihuana facility's continued operation with local approval as an impediment to licensure?
- What does that municipality authorization need to look like?
- Why now? What prompted LARA to make this decision?
- Why is this an issue?
- Will law enforcement shut down dispensaries?
- Will this give an advantage to those operating illegally prior to state licensure?
- As a potential applicant do I have to close before December 15? What if I already closed in anticipation of the December 15, 2017 deadline? Will it hurt my chances at a license if I re-open?
- Should municipalities begin authorizing marihuana facilities to enable potential licensees to remain open in the transition period?

- If my medical marijuana facility engages in activities that cross license types (grower, processor and provisioning center), how will my continued operation be evaluated as part of the application process?
- If my municipality has adopted an ordinance that allows medical marijuana facilities but has not adopted an ordinance that complies with section 205 of the MMFLA, what does my timeline look like?
- My municipality doesn't have enough time to amend or pass a new ordinance by December 15, 2017. How should this be handled? My municipality's ordinance requires state approval in order to get local approval. How should this be handled?
- Can Caregivers operate for profit while/during the application process?
- Are existing facilities given preferential treatment?
- Is it a requirement to pay the municipality fee to operate temporarily?

## Additional Questions

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- Will the Department be reorganized again?
- Will the Department issue guidance for townships?
- Can the Department clarify sales of up to 1% interest in a license?
- What is the impact on caregiver center applicants in the pipeline in Detroit?
- How will the growing of marijuana interact with current agricultural practices?
- Will the process include input from medical professionals?
- What banks will do business with medical marijuana businesses?
- Will the Department create a networking system for patients and caregivers?
- Can the Department be more transparent and forthcoming?
- Will the Department continue to hold workgroup sessions?
- Can the Department consider a work group for marketing and advertising?
- As a landlord, can I transfer the lease to owners who switch licenses?
- How will determinations on eligible employees be made?
- Why is testing required?
- What will happen if I've paid my municipality for a local license, but I'm denied by the State of Michigan? Can I get my fees back from the municipality?
- Where can I find the advisory bulletins regarding the emergency rules?
- Who determines employee eligibility for employment?
- How will the MMFLA directly or indirectly impact the current MMMP industry?
- Can I hold a CPL license and a medical marijuana facility license?
- Can plants or other marijuana product be bought from caregivers?

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