



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

SHELLY EDGERTON
DIRECTOR

MEDICAL MARIHUANA LICENSING BOARD

SEPTEMBER 12, 2017 MEETING

APPROVED MINUTES

In accordance with the Open Meetings Act, 1976 PA 267, as amended, the Michigan Medical Marihuana Licensing Board met on September 12, 2017, at Eagle Eye Golf Club, 15101 Chandler Road, Bath, Michigan 48808.

CALL TO ORDER

Johnson, Chairperson, called the meeting to order at 12:05 p.m.

ROLL CALL

Members Present: Rick Johnson, Chairperson
Donald Bailey
Nichole Cover
David LaMontaine
Vivian Pickard

Staff Present: Andrew Brisbo, State Bureau Administrator
Charlene French, Executive Secretary
Erika Marzorati, Assistant Attorney General
Bridget Smith, Assistant Attorney General

APPROVAL OF AGENDA

MOTION by Bailey, second by Cover to limit time of public comment section of agenda to 3 minutes per individual. A voice vote followed.

MOTION PREVAILED

MOTION by Pickard, seconded by Cover, to approve the agenda, as presented. A voice vote followed.

MOTION PREVAILED

CLOSED SESSION

No motion, board did not go into closed session.

APPROVAL OF THE MINUTES

MOTION by Pickard, seconded by Bailey, to approve the minutes, as presented. A voice vote followed.

MOTION PREVAILED

OLD BUSINESS

- A. Existing Medical Marihuana Facilities
 - a. Determining a balanced approach the Department gave consideration to:
 - i. Allowing time for existing operations to wind up affairs.
 - ii. Give adequate time for patients to establish connections to caregivers to ensure continuity of access.
 - iii. Not forcing patients and product into the black market.
 - b. The Department will not shut down facilities; however, continued operation by a facility is a business risk as they may be shut down by law enforcement and continued operation may be a potential impediment to licensure. Applicants will be required to disclose including any and all previous operations on the application.
- B. Motion by Bailey, SECOND by Johnson to change date to September 15, 2017, discussion followed, Johnson withdrew support.
MOTION FAILED with NO SUPPORT

NEW BUSINESS

NONE

DEPARTMENT UPDATE

- A. Board request for identifying and communicating with existing facilities
 - a. The Department has attempted to gather data on the number of existing facilities but there is no reliable, statewide data.
- B. Estimated Fees
 - a. Fees will vary depending on the number of applications received and licenses issued.
 - b. Application Fee - offsets the cost for the background investigation inclusive of:
 - i. LARA staff costs for background investigation.
 - ii. MSP staff costs for background investigation.
 - iii. Contract costs for investigative services.

iv. Estimated Application fee (see table below)

# of applicants	Fee
500	\$8,000
1,000	\$6,000
1,500	\$5,000
2,000	\$4,500

c. Regulatory Assessment Fee

- i. Required to be paid after board approval prior to the issuance of a license and is due for each license.
- ii. Regulatory assessment – offsets operational costs and other statutory mandates including:
 1. LARA costs to implement, administer, and enforce the act, except for the applicant investigation costs.
 2. BMMR staff and administrative costs.
 3. Lease costs.
 4. Hosting, support, and RFID tag costs for the METRC system.
 5. BMMR imaging, data, and contract services.
 6. Medical-marihuana-related services provided to LARA by the AG.
 7. Medical-marihuana-related services provided to LARA by the MSP.
 8. Medical-marihuana-related services provided to LARA by Treasury.
 9. \$500k to LARA for licensing substance abuse disorder programs.
 10. 5% of LARA, AG, MSP, Treasury costs to DHHS for substance-abuse-related expenses including substance abuse disorder prevention, education, and treatment programs.
 11. Expenses related to the standardized field sobriety tests administered in enforcing the MI vehicle code.
 12. An amount sufficient to provide for the administrative costs of the MI Commission on Law Enforcement Standards.
- iii. Estimated Regulatory Assessment Fee for FY 2018 (see table below):

# of total licensee's subject to assessment (i.e. not labs)	Grower A	Grower B-C, Processor, Transporter, Provisioning Center	Safety Compliance Facility
300	\$10,000	\$57,000	\$0
600	\$10,000	\$28,000	\$0
1,200	\$10,000	\$14,000	\$0
1,800	\$9,000	\$9,000	\$0

C. Work Groups

- a. Andrew Brisbo thanked everyone who submitted an email request.
- b. Overwhelming response with over 700 submissions received.
- c. Work Group announcement will be posted on September 13, 2017 at, www.michigan.gov/LARA/medicalmarihuana.
- d. It was noted that the Bureau reserves the right to change the composition of any work group as it deems necessary throughout the process.
- e. It was further noted that the Bureau will choose a replacement if a selected work group member is unable to attend the meeting.

PUBLIC COMMENT

ERIC GUNNELS, Elected Township Official – Addressed the board on municipality issues and difficulties, voice of the people, opportunities for people, and financial needs for startup.

ROBERT ZELLE – Addressed the board on his experience with marihuana, entrepreneur opportunities, need for regulation, and law enforcement.

JULIAN PIROLI – Addressed the board on closure of dispensaries.

REBECA DeJAEGHER – Addressed the board on rules and regulation and history of how industry has been operating, her experiences with the need for medical marihuana, dispensaries, safe access.

KATIE PREECE – Addressed the board on medical marihuana and her experience.

DAVID CROCKER MD – Addressed the board on behalf of patients, experience with people involved in medical marihuana, dispensaries and diversity.

DANA CARVER – Addressed the board on ability to grow, experience with medical marihuana and closing of dispensaries.

KEITH OLSON – Addressed the board on state involvement in cannabis.

SUZANNE ELMS-BARCLAY – Addressed those in attendance on previous behavior, addressed the board on her son's death, patient/doctor relationship, studies, read letters from son and suicide rates.

ALLISON IRETON, Attorney - Addressed the board on 12/15/2017 closure date, patient access and oil extraction process/cost.

ANTHONY BROWN – Addressed the board on dispensaries and date, ability for small guy.

DORI EDWARDS – Addressed the board on closure of dispensaries and municipalities' relationship with current dispensaries.

SUE NOLFF – Addressed the board on date for dispensary closure, information on rules, ability to open (equal opportunity).

JASON DURHAM – Patient, shared x-rays, addressed the board on failed crops, closure of dispensaries, accessibility and the ability to open dispensaries.

SHAWN KOON NOLFF – Addressed the board on last board meeting and motions, compassion of board, patients, dispensaries and those who use them.

DAVID MORA – Thanked board, addressed the board on residency requirements, EPA guidelines, testing, and facility compliance.

CHRISTINA MONTAGUE – Representing Michigan Association of Women in Cannabis, difficulties women face with licensing, diversity and inclusion.

NATHAN OAKES, Marine Vet - Addressed the board on veteran population and their access to marihuana, vet suicide rate, OD rates of prescription medicine, facilities currently open (leaders should have to lead) and addressed Mr. Bailey.

TIM BECK – Addressed the board on closure of dispensaries, and a transition phase.

BRANT JOHNSON – Thanked board, addressed the board on city (municipalities) licensed centers, anonymous applications and asked if multiple applications allowed for same type of license.

JAMES VAUGHN on behalf of PAT VAUGHN – Shared experience, addressed the board on dispensaries and access to marihuana.

WILLIAM KOSINSKI, Patient advocate - Addressed the board on regulation and board purpose and thanked the board.

KATHLEEN McCARTHY – Addressed the board on experience/illness, prescription medications and narcotics.

BRIANNA ROMINES, Epilepsy Foundation Representative - Addressed the board on the Epilepsy Foundation concerns with closure of dispensaries, patient access to cannabis and safe and legal access.

EVANGELOS LITINAS MD, MBA - Addressed the board on closures of dispensaries, reviewed credentials, patient access and risks/cautions.

DAVID WILSON – Reviewed experience, “PURE Michigan”, marketing, dispensary closure, expressed desire to work with the board.

JAMES E. GIERACH – Former prosecutor from Illinois, reviewed timeline Illinois experienced and transition period/schedule.

BRYAN FLORIAN, Veteran – Reviewed experience, addressed the board on dispensary closure.

KRISTINE BEEBE – Addressed the board on dispensary closure, experience and board responsibilities.

PATRICK JOSEPH GROULX – Showed MMP card and addressed the board on rules/laws.

DIANE FERGUSON – Shared experience, addressed the board on closure of dispensaries, her rights, and crime.

ELAINE M WOMBOLDT- Addressed the board on closure of dispensaries, reviewed ordinances and timelines and number of marihuana dispensaries in Lansing.

MARCELUS BRICE – Addressed the board on doing things the right way following the law, level playing field. Questions: What is provisioning center fee? Will there be a background check on money received? If the dispensaries who are currently open use money to open a new center will that disqualify them?

TEISHA DOYLE – Reviewed experience with opioids and cannabis and addressed the board on closure of dispensaries.

WES CRAWFORD, representing his wife - Reviewed experience with opioids and cannabis and closure of dispensaries.

FRANK JAMES – Reviewed Gaylord raids, his store’s experience.

WILLIAM BRADFIELD, Advocating for aunt and other vets - Addressed the board on his family’s experience.

DENNIS HAYES, Attorney – Addressed the board on the board’s experience, closure of dispensaries, timeline and duty of board to patients.

CATHLEEN GRAHAM, Nurse representing end of life patients – Reviewed experience with patients, and closure of dispensaries.

JOHN FRASER, representing clients – Addressed the board on compliance, financial commitment needed, asked for criteria clarification.

DAVE OVERHOLT – Veteran, works with municipalities - Addressed the board on municipalities’ needs, thanked board and reviewed timeline. Addressed Mr. Bailey.

DONALD RAY FERGUSON – Addressed the board on patent and laws.

NICHOLAS ZETTELL, representing MI Legalize 2018, patient advocate - Addressed the board on “sunset” period (dispensary closure) and legislation in process to allow dispensaries to stay open.

MARK PECK – Reviewed his condition.

ANDREW SIMONS - Addressed the board on plant history, right to access, shared his experience and addressed Mr. Bailey.

MIKE HUSEMAN - Reviewed over the counter medicines and OD, need for patient protection, and licensing costs.

RICK THOMPSON – Addressed the board on dispensaries and board stance, denials, lawsuits and suspicions/perceptions of people.

JAMIE FRICKE – Addressed the board on double blind procedure (Ohio structure) and marihuana access and positive law theory (not illegal until written as such).

Cathy, RN and care manager - Reviewed experience with patients on narcotics, addressed the board on closure of distribution centers, opportunity to grow Michigan and crime rates.

JEANE REED, Attorney – Addressed the board on experience of growers, closure of dispensaries and how she advises clients, transition, regulation and currently operating facilities financial advantage for licensing fees.

GERRY GARLINGHOUSE – Reviewed history of medical marihuana, addressed the board on regulation and effect on communities and financial effects/motivation.

FRANK GORALSKI, speaking on behalf of caregivers – Addressed the board on being cited for running a business in residential area and reviewed legal issues he has experienced.

DAVID WRIGHT – Addressed the board on growth timeline.

THOMAS LAVIGNE, Attorney – Addressed the board on the press release, caregivers, legal issues and the opioid crisis and death toll.

CRAIG ARNOFF - Appreciative of extra meetings, addressed the board on municipalities, looking for rules/action from State and remaining neutral as a board. Question on licensing stacking with transportation.

MATTHEW ABEL – Lawyer, Executive Director of MI Legal – Addressed the board on closure of dispensaries, opioids and asked board to make a statement on free access to medicine.

SUSIE SIMONS – Shared experiences of friends with medical marihuana, addressed the board on access to marihuana (transition period).

KILEY LOY-SIMONS – Reviewed history with police and marihuana/heroin and opioid addictions/police raids. Addressed the board on feelings/views of cardholders.

ROGER MANFONT - Thanked the board, addressed the board on access for children to medical marihuana and patient access, seamless flow of medication/transition and closure of dispensaries.

CHAD MORROW – Addressed the board on rights and legal issues, patient deaths, licensing issues and read letter he received.

ZAHRA ABBAS – Addressed the board on experience with cannabis, and closure of dispensaries/access to medicine.

TIMOTHY LOCKE – Reviewed past campaigns of legislators, experience with medical marihuana. Addressed the board on boards authority and law creation.

ANNOUNCEMENTS

LAMONTAINE asked for further clarification on comments made during public comment, AG's office suggested discussions best held in work groups, Lamontaine continued.

PICKARD asked Andrew Brisbo to walk the board through the process with applications and post December 15th. Mr. Brisbo indicated that applications will be accepted at that time the expectation is operations will be ceased prior to application. It is expected that licensees will be issued by April 2018.

Chair JOHNSON advised people to watch the website for updates.

ADJOURNMENT

MOTION by Lamontaine, seconded by Bailey, to adjourn the meeting at 4:15p.m. A voice vote followed.

MOTION PREVAILED

Board Approved on: October 17, 2017