



# COUNCILMAN JAMES TATE



## COMMUNITY CONNECTIONS

### SO, YOU WANT TO GET INTO THE ADULT-USE “RECREATIONAL” MARIJUANA BUSINESS IN DETROIT?

#### Here are the Basics

##### Step #1

##### GET TO KNOW THE Marijuana Regulatory Agency (MRA)

You will want to familiarize yourself with the MRA website [www.michigan.gov/mra](http://www.michigan.gov/mra). It is where you will find information and apply for certification and licensing necessary to open a cannabis business. Go on the website and start reading some of the information, including the Michigan Regulation and Taxation of Marihuana Act, which is the law that regulates this type of business. It's no shame if you don't understand everything you read... it's your first time there. If you are serious about being a part of the industry, you will have to visit it often over time, and you will become more familiar with the language that's used the further you go into the process. You may also eventually need to consult with a lawyer, accountant, or another type of business professional to make sure you have done everything correctly.

Overall questions concerning licensing for adult-use marijuana businesses can be sent via email to [MRA-Adult-Use-Marijuana@michigan.gov](mailto:MRA-Adult-Use-Marijuana@michigan.gov).

##### Step #2

##### GET CERTIFIED FOR SOCIAL EQUITY DISCOUNTS ON STATE FEES (FOR FREE)

Social Equity certification determines how much you can/will receive in discounts with the State of Michigan fees. This process may take up to two weeks.

Now that you have read over the MRA's website, it's time to get certified as a Social Equity Applicant with the State of Michigan (you can do this today... right now). It's free to apply for Social Equity Certification and you can do it on the MRA's Social Equity page here: <https://rb.gy/ga9nab>. Press on link that says "Social Equity Application" and fill out the information. If you have questions about the MRA's social equity program, the agency can be reached at 517-284-8599 as well as via email at [mra-socialequity@michigan.gov](mailto:mra-socialequity@michigan.gov).

##### Step #3

##### APPLY FOR PREQUALIFICATION (phase one)

This is the point where the state does your background check and ensures you do not owe taxes to the state and others. If approved, your prequalification certification is good for two years. You need this prequalification to apply and obtain an actual license (but the "apply for license step" is a little later on).



**State license approval is split into two phases... the first prequalification phase** initiates the background check into the person(s) or entity seeking to run/operate the cannabis business, and **the second prequalification phase** takes place during the establishment licensing process and deals with the inspection of the facility where you plan to locate your business.

The cost to apply for MRA prequalification is \$6000. This is where the Social Equity discounts you received earlier begin to kick in.

Apply for prequalification here: <https://rb.gy/3wepcw>

If you have questions for the MRA during this stage you can contact them at 517-284-8599 or [MRA-Applications@Michigan.gov](mailto:MRA-Applications@Michigan.gov).

Here is a list of the types of documents that are required for prequalification as well as general instructions on how to fill out the application:

[https://www.michigan.gov/documents/lara/Main\\_Applicant\\_Entity\\_667283\\_7.pdf](https://www.michigan.gov/documents/lara/Main_Applicant_Entity_667283_7.pdf)

#### **Step #4**

##### **APPLY FOR DETROIT LEGACY STATUS**

Once the City's ordinance is approved, you will be able to apply for Detroit Legacy status at the City of Detroit Civil Rights, Inclusion, and Opportunity Department (CRIO). This status will give you a break on the City's licensing fees, and give you access to an early licensing period, and certain licenses reserved specifically for Detroit Legacy applicants.

**EVERYTHING LISTED ABOVE SHOULD TAKE PLACE BEFORE YOU APPLY FOR A LICENSE FROM THE CITY OF DETROIT (whenever the city's ordinance is approved and goes into effect)**

After being state prequalified (phase one) and getting certified with Detroit Legacy status (if you qualify for it), and if you have a building, business plan AND believe that you are ready to apply for your license from the MRA, you can then begin the second phase of your license application process. If you don't have a building yet, you can apply for a "provisional license," which is good for one year.

#### **Step #5**

##### **GET A BUSINESS LICENSE FROM CITY OF DETROIT**

**You can apply for a business license from the City of Detroit (after an ordinance has been approved) when the City begins taking applications in the spring of 2021.**

Your facility will have to be inspected by the City of Detroit before your license application can be approved. Once the City of Detroit has approved you for a business license, it will sign a document called an **"Attestation"**. You will need this Attestation when applying for phase 2 establishment licensing or the state will deny your application. Find out what an Attestation is here: <https://bit.ly/3oMv9rh>



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### Step #6

#### APPLY FOR AN ESTABLISHMENT LICENSE AT THE MRA (phase 2)

The next step is to submit your phase 2 establishment license application to the MRA.

The MRA warns applicants not to submit a phase 2 application unless your business will be ready to pass an inspection by the MRA within 60 days of applying for an establishment license, SO MAKE SURE YOU ARE READY.

**If you fail to pass an inspection by the MRA within 60 days of beginning the phase 2 establishment licensing process, your application will more than likely be denied by the MRA, and you will have to begin the establishment licensing process all over again (with a new fee).**

Find information on the phase 2 establishment licensing process here: <https://rb.gy/shfq7r>

Again, If you have questions for the MRA during this stage you can also contact them at 517-284-8599 or [MRA-Applications@Michigan.gov](mailto:MRA-Applications@Michigan.gov).

Once you have received phase 2 establishment licensing approval from the MRA, you are then eligible to receive an actual license from the State of Michigan that will allow your facility to open, once you have paid the license fee. You can find the cost of adult-use marijuana businesses licenses available from the state of Michigan here:

<https://rb.gy/5p2ewu>

**The City of Detroit has not yet approved its ordinance for adult use licensing, or cost of fees, but costs are typically \$1000 application fee and \$5000 for city licensing. Under the Councilman Tate's proposed ordinance, "Legacy Detroiters" will pay only 1% of licensing fees.**

Find a fact sheet of Councilman Tate's proposed Adult Use "Recreational" Marijuana ordinance here:

<https://bit.ly/3eezY7U>

### CONTACT COUNCILMAN JAMES TATE

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