TOWNSHIP OF CHIPPEWA

19171 4TH STREET

CHIPPEWA LAKE, MICHIGAN 49320-0026

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June 19, 2019

Dear Property Owner:

By now you are aware that Michigan became the 10th state to legalize adult recreational marihuana. Recreational marihuana is one of the three categories that are now controlled under one agency, which is the Michigan Regulatory Agency (MRA).

In the law, there are six categories of Marihuana Licenses: Grower, Processor, Provisioning Center, Safety Compliance Center (Lab), Secure Transportation and Microbusiness. The Grower category is further broken down into classes. Class A – Grow Up to 500 Plants; Class B – Grow Up to 1000 Plants and Class C – Grow Up to 1500 Plants. The Micro Business License allows an individual to grow up to 150 plants, process their product and sell their product.

While medical, medical facilities licensing and recreational marihuana have been combined under one agency, they were passed as separate laws and have different requirements. Go to https://www.michigan.gov/bmr for the latest and most accurate information on this evolving topic.

There are three marijuana-related acts that are now state law:

2008 Michigan Medical Marihuana Act

- Allows for patient/caregiver relationship regarding medical marijuana.
- Patients may possess up to 12 plants and 2.5 ounces of marijuana.
- Caregivers may register to serve up to 5 patients.
- Patients/caregivers must be registered with the state registry program.
- May not sell marijuana

2016 Medical Marihuana Facilities Licensing Act

- Allows for commercial sale of marijuana to patients and caregivers.
- Five different types of licenses granted by the Medical Marihuana Licensing Board: growers, processors, provisioning centers, secure transporters, safety compliance facilities
- May not sell marijuana to non-cardholders.
- Map of licensed facilities available at Michigan.gov/BMR.

This information is accurate as of December 6, 2018.

The provisions of all three laws are concurrently in place and active.

2018 Michigan Regulation and Taxation of Marihuana Act

- Up to 12 plants per household and 10 ounces, Amounts greater than 2.5 ounces must be locked in a safe.
- Up to 2.5 ounces on your person, no more than 15 grams of marijuana concentrates.
- Allows for commercial sale of marijuana to adults over the age of 21.
- Six different types of licenses granted by the Bureau of Marijuana Regulation: growers, processors, retailers, microbusinesses, secure transporters, safety compliance facilities.
- Commercial license applications available by December 6, 2019.

LICENSING AND REGULATORY AFFAIRS
CUSTOMER DRIVEN BUSINESS MINDED.

For more information, please visit Michigan.gov/BMR

The Michigan Department of Licensing and Regulatory Affairs (LARA) is required and currently working on rules to implement. LARA has until December 6, 2019 to complete, the rule implementation, at which time they will begin to accept and approve applications for marihuana licenses.

The law also allows municipalities such as cities, villages and townships to decide if they desire marihuana licenses within their jurisdictions. Municipalities that do not desire licenses must submit an ordinance to the State to "OPT OUT".

On June 17, the Chippewa Township Board voted in an ordinance to OPT OUT for a specified period of time. The OPT OUT Ordinance will expire February 15, 2020, at which time the board will review the topic and vote on it again.

So why a temporary OPT OUT?

Michigan Initiated Law 1 (Recreational Marihuana Law) was written in a way that leaves many unanswered questions many of which could put municipalities at risk of litigations and other unintentional consequences if implemented incorrectly.

The TEMPORARY OPT OUT ordinance gives the Township Board time to react to the new rules and make an informed decision by February 15, 2020.

In the meantime, the Board will be holding public meetings to fully understand the desires of the residents. The Board will also work on plans as to the type and quantity of State issued marihuana licenses, to be issued in Chippewa Township, if the Township were to reverse the opt-out Ordinance, by the February 15, 2020 expiration.

Unlike, the growing number of municipalities in Mecosta County such as: Green, Martiny, Morton Townships and the Village of Morley, who have Opted-Out, Chippewa Township's Opt-Out Marihuana Ordinance is for a specific period of time.

In the State of Michigan (taken from LARA - Adult-Use- Recreational Marijuana updated 6/14/2019) 469 out of 1773 municipalities have currently opted out. 102 municipalities have passed ordinances regulating marihuana businesses. The State of Michigan, to date, has not approved any Recreational Marijuana Licenses.

THE TOWNSHIP BOARD ENCOURAGES OUR PROPERTY OWNERS TO PARTICIPATE IN THIS IMPORTANT TOPIC AS IT RELATES TO OUR TOWNSHIP. Your input will be invaluable, to the Board, as we navigate through these new waters together.

The Board will be following up with meeting notices, additional information etc... to keep everyone informed.

Sincerely, Chippewa Township Board