



STATE OF MICHIGAN
JOCELYN BENSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

June 22, 2020

NOTICE OF FILING

ADMINISTRATIVE RULES

To: Secretary of the Senate
Clerk of the House of Representatives
Joint Committee on Administrative Rules
Michigan Office of Administrative Hearings and Rules (Administrative Rule #19-088-LR)
Legislative Service Bureau (Secretary of State Filing #20-06-14)
Department of Licensing and Regulatory Affairs

In accordance with the requirements of Section 46 of Act No. 306 of the Public Acts of 1969, being MCL 24.246, and paragraph 16 of Executive Order 1995-6, this is to advise you that the Michigan Office of Administrative Hearings and Rules filed Administrative Rule #2019-088-LR (Secretary of State Filing #20-06-14) on this date at 08:48 A.M. for the Department of Licensing and Regulatory Affairs entitled, "Industrial Hemp Rules for Marihuana Businesses".

These rules take effect immediately upon filing with the Secretary of State unless adopted under section 33, 44, or 45a(6) of the administrative procedures act of 1969, 1969 PA 306, MCL 24.233, 24.244, or 24.245a. Rules adopted under these sections become effective 7 days after filing with the Secretary of State.

Sincerely,

Jocelyn Benson
Secretary of State

Melissa Malerman /CK

Melissa Malerman, Departmental Supervisor
Office of the Great Seal

Enclosure



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

ORLENE HAWKS
DIRECTOR

CERTIFICATE OF ADOPTION

(By authority conferred on the executive director of the marijuana regulatory agency by section 206 of the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27206, sections 7 and 8 of the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27957 and 333.27958, and Executive Reorganization Order No. 2019-2, MCL 333.27001)

R 420.1001, R 420.1002, R 420.1003, and R 420.1004 are added to the Michigan Administrative Code as follows:

Date: March 27, 2020

A handwritten signature in black ink, appearing to read "Andrew Brisbo", written over a horizontal line.

Andrew Brisbo, Executive Director

THE LEGISLATURE

LANSING, MICHIGAN

JOINT COMMITTEE ON ADMINISTRATIVE RULES

P.O. BOX 30036 • LANSING, MICHIGAN 48909-
(517) 373-9425 • (517) 373-5624 -

Waiver of Remaining Session Days

TO: Katie Wienczewski, Administrative Rules Manager
Michigan Office of Administrative Hearings and Rules (MOAHR)
Secretary of the Senate
Clerk of the House

FROM: Senator Peter Lucido, Chair
Representative Matt Maddock, Alternate Chair

DATE: June 10, 2020

Pursuant to MCL 24.245a(1) the Joint Committee on Administrative Rules has by a concurrent majority vote, waived the remaining session days for the following rule sets:

JCAR No. 20-09
MOAHR No. 2019-067 LR
Department of Licensing and Regulatory Affairs, Marijuana Regulatory Agency
Marihuana Licenses

JCAR No. 20-10
MOAHR No. 2019-068 LR
Department of Licensing and Regulatory Affairs, Marijuana Regulatory Agency
Marihuana Licensees

JCAR No. 20-11
MOAHR No. 2019-069 LR
Department of Licensing and Regulatory Affairs, Marijuana Regulatory Agency
Marihuana Operations

JCAR No. 20-12
MOAHR No. 2019-070 LR
Department of Licensing and Regulatory Affairs, Marijuana Regulatory Agency
Marihuana Sampling and Testing

JCAR No. 20-13
MOAHR No. 2019-071 LR
Department of Licensing and Regulatory Affairs, Marijuana Regulatory Agency
Marihuana-Infused Products and Edible Marihuana Product

JCAR No. 20-14
MOAHR No. 2019-072 LR
Department of Licensing and Regulatory Affairs, Marijuana Regulatory Agency
Marihuana Sale or Transfer

JCAR No. 20-15
MOAHR No. 2019-073 LR
Department of Licensing and Regulatory Affairs, Marijuana Regulatory Agency
Marihuana Employees

JCAR No. 20-16
MOAHR No. 2019-074 LR
Department of Licensing and Regulatory Affairs, Marijuana Regulatory Agency
Marihuana Hearings

JCAR No. 20-17
MOAHR No. 2019-075 LR
Department of Licensing and Regulatory Affairs, Marijuana Regulatory Agency
Marihuana Disciplinary Proceedings

JCAR No. 20-18
MOAHR No. 2019-088 LR
Department of Licensing and Regulatory Affairs, Marijuana Regulatory Agency
Industrial Hemp Rules for Marihuana Businesses

JCAR No. 20-19
MOAHR No. 2019-123 LR
Department of Licensing and Regulatory Affairs, Marijuana Regulatory Agency
Medical Marihuana Facilities

According to MCL 24.245a(3), if the Committee waives the remaining session days, the Michigan Office of Administrative Hearings and Rules may immediately file the rule.

Sincerely,



Senator Peter Lucido
Chair



Representative Matt Maddock
Alternate Chair



STATE OF MICHIGAN

GRETCHEN WHITMER
GOVERNOR

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

ORLENE HAWKS
DIRECTOR

LEGAL CERTIFICATION OF RULES

I certify that I have examined the attached administrative rules, dated December 4, 2019, in which the Department of Licensing and Regulatory Affairs proposes to modify a portion of the Michigan Administrative Code entitled “**Industrial Hemp Rules for Marihuana Businesses**” by:

- ◆ Adding R 420.1001, R 420.1002, R 420.1003, and R 420.1004.

The Legislative Service Bureau has approved the proposed rules as to form, classification, and arrangement.

I approve the rules as to legality pursuant to the Administrative Procedures Act, MCL 24.201 *et seq.* and Executive Order No. 2019-6. In certifying the rules as to legality, I have determined that they are within the scope of the authority of the agency, do not violate constitutional rights, and are in conformity with the requirements of the Administrative Procedures Act.

Dated: March 26, 2020

Michigan Office of Administrative Hearings and Rule

By: _____

Katie Wienczewski,
Attorney



Since 1941

Legal Division

Kevin H. Studebaker, Director

CERTIFICATE OF APPROVAL

On behalf of the Legislative Service Bureau, and as required by section 45 of the Administrative Procedures Act of 1969, 1969 PA 306, MCL 24.245, I have examined the proposed rules of the Department of Licensing and Regulatory Affairs, Marijuana Regulatory Agency, dated December 4, 2019, adding R 420.1001, R 420.1002, R 420.1003, and R 420.1004 of the Department's rules entitled "Industrial Hemp Rules for Marihuana Businesses." I approve the rules as to form, classification, and arrangement.

Dated: March 26, 2020

LEGISLATIVE SERVICE BUREAU

By

Elizabeth R. Edberg,
Legal Counsel

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

MARIJUANA REGULATORY AGENCY

INDUSTRIAL HEMP RULES FOR MARIHUANA BUSINESSES

Filed with the secretary of state on June 22, 2020

These rules take effect immediately upon filing with the secretary of state unless adopted under section 33, 44, or 45a(6) of the administrative procedures act of 1969, 1969 PA 306, MCL 24.233, 24.244, or 24.245a. Rules adopted under these sections become effective 7 days after filing with the secretary of state.

(By authority conferred on the executive director of the marijuana regulatory agency by section 206 of the medical marihuana facilities licensing Act, 2016 PA 281, MCL 333.27206, sections 7 and 8 of the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27957 and 333.27958, and Executive Reorganization Order No. 2019-2, MCL 333.27001)

R 420.1001, R 420.1002, R 420.1003, and R 420.1004 are added to the Michigan Administrative Code as follows:

R 420.1001 Definitions.

Rule 1. (1) As used in these rules:

- (a) "Agency" means the marijuana regulatory agency.
- (b) "Broker" means that term as defined in section 2 of the industrial hemp research and development act, MCL 286.842.
- (c) "Department" means the department of licensing and regulatory affairs.
- (d) "Grower" means that term as defined in section 2 of the industrial hemp research and development act, MCL 286.842.
- (e) "Handle" means that term as defined in section 2 of the industrial hemp research and development act, MCL 286.842.
- (f) "Industrial hemp" means that term as defined in section 2 of the industrial hemp research and development act, MCL 286.842.
- (g) "Industrial hemp research and development act" means the industrial hemp research and development act, 2014 PA 547, MCL 286.841 to 286.859.
- (h) "Laboratory" means a safety compliance facility licensed under the medical marihuana facilities licensing act or a marihuana safety compliance facility licensed under the Michigan regulation and taxation of marihuana act, or both.
- (i) "Marihuana processor" means that term as defined in section 3 of the Michigan regulation and taxation of marihuana act, MCL 333.27953.
- (j) "Marihuana safety compliance facility" means that term as defined in section 3 of the Michigan regulation and taxation of marihuana act, MCL 333.27953.
- (k) "Marihuana tracking act" means the marihuana tracking act, 2016 PA 282, MCL 333.27901 to 333.27904.
- (l) "Market" means that term as defined in section 2 of the industrial hemp research and development act, MCL 286.842.

(m) “Medical marihuana facilities licensing act” or “MMFLA” means the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801.

(n) “Michigan medical marihuana act” means the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430.

(o) “Michigan regulation and taxation of marihuana act” or “MRTMA” means the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967.

(p) “Process” means that term as defined in section 2 of the industrial hemp research and development act, MCL 286.842.

(q) “Processor” means a facility licensed to operate under section 502 of the medical marihuana facilities licensing act, MCL 333.27502, and these rules.

(r) “Producer” means a processor licensed under the medical marihuana facilities licensing act or a marihuana processor licensed under the Michigan regulation and taxation of marihuana act, or both.

(s) “Rules” means the administrative rules promulgated by the agency under the authority of the medical marihuana facilities licensing act, the marihuana tracking act, the Michigan regulation and taxation of marihuana act, and Executive Reorganization Order No. 2019-2, MCL 333.27001.

(t) “Safety compliance facility” means a facility licensed to operate under section 505 of the medical marihuana facilities licensing act, MCL 333.27505, and these rules.

(2) Terms defined in the acts have the same meanings when used in these rules unless otherwise indicated.

R 420.1002 Testing industrial hemp.

Rule 2. (1) A laboratory may perform tests on industrial hemp product as required under the industrial hemp research and development act and any associated rules promulgated by the Michigan department of agriculture and rural development.

(2) A laboratory may perform all tests required or requested in the industrial hemp research and development act and any associated rules promulgated by the Michigan department of agriculture and rural development.

(3) A laboratory shall document all testing performed on industrial hemp products and shall make those records available to the agency upon request.

(4) A laboratory shall maintain industrial hemp product samples separate from any marihuana product samples at all times.

(5) A laboratory may obtain samples of industrial hemp for testing pursuant to the industrial hemp research and development act and any associated rules promulgated by the Michigan department of agriculture and rural development.

(6) A laboratory must report test results as required under the industrial hemp research and development act and any associated rules promulgated by the Michigan department of agriculture and rural development.

(7) A laboratory must not transfer or sell any industrial hemp product obtained for testing to any other facility other than the licensee from whom the sample was obtained.

(8) A laboratory shall enter all transactions, current inventory, and other information into the statewide monitoring system as required by the industrial hemp research and development act and any associated rules promulgated by the Michigan department of agriculture and rural development.

R 420.1003 Processing industrial hemp.

Rule 3. (1) A producer may handle, process, market, or broker industrial hemp in compliance with the industrial hemp research and development act and any associated rules promulgated by the Michigan department of agriculture and rural development.

(2) A producer may obtain industrial hemp to process as allowed under the industrial hemp research and development act and any associated rules promulgated by the Michigan department of agriculture and rural development.

(3) A producer shall always store industrial hemp separately from marihuana products and in compliance with these rules relating to storage of marihuana products promulgated by the agency.

(4) A producer shall document all industrial hemp obtained by the facility and shall make those records available to the agency upon request.

(5) A producer shall enter all transactions, current inventory, and other information into the statewide monitoring system as required by the industrial hemp research and development act and any associated rules promulgated by the Michigan department of agriculture and rural development.

R 420.1004 Severability.

Rule 4. If any rule or subrule of these rules, in whole or in part, is found to be invalid by a court of competent jurisdiction, such decision will not affect the validity of the remaining portion of these rules.

FILED WITH SECRETARY OF STATE

ON 6/22/20 AT 8:48 A.M.