

ORDINANCE NO. 2020-2

An Ordinance which amends the Code of Ordinances of the Charter Township of Mount Morris by adding Section 6-50 which shall be known as the Mount Morris Township Recreational Marihuana Licensing Ordinance. The Mount Morris Township Recreational Marihuana Licensing Ordinance provides for the licensing of qualifying Recreational Marihuana Growers, Recreational Marihuana Safety Compliance Facilities, Recreational Marihuana Processors, Recreational Marihuana Retailers, and Recreational Marihuana Secure Transporters. It establishes the application requirements and processes for applying for a license for any of the above Recreational Marihuana Establishments, it establishes the authority and restrictions of any person who qualifies for a license for any of the aforementioned Recreational Marihuana Establishments, and provides the penalties for any violations of the ordinance.

THE CHARTER TOWNSHIP MOUNT MORRIS HEREBY ORDAINS:

That Chapter 6 of the Code of Ordinances of the Charter Township of Mount Morris is hereby amended by adding section 6-50 which shall read as follows;

Section 6-50 Recreational Marihuana Establishments

Article I - Statement of Purpose and Name

1.01 Purpose: The purpose of this ordinance is to amend Chapter 6 of the Code of Ordinances of the Charter Township of Mount Morris to;

- A. make possession of marihuana legal in the Township for adults 21 years of age or older;
- B. make possession of industrial hemp legal in the Township;
- C. control the commercial production and distribution of marihuana in the Township with a system that licenses, regulates, and taxes the businesses involved;
- D. prevent arrest and penalty for personal possession and cultivation of marihuana in the Township by adults 21 years of age or older;
- E. remove the commercial production and distribution of marihuana from the illicit market;
- F. prevent revenue generated from commerce in marihuana from going to criminal enterprises or gangs;
- G. prevent the distribution of marihuana to persons under 21 years of age;
- H. prevent the diversion of marihuana to illicit markets;

- I. ensure the safety of marihuana and marihuana-infused products;
- J. ensure security of marihuana establishments

All as authorized under the **Michigan Regulation and Taxation of Marihuana Act 2018 IL 1 333.27953 to 333.27967 (MRTMA)**

1.02 Name of Ordinance: This Ordinance shall be known as the **Mount Morris Township Recreational Marihuana Licensing Ordinance.**

Article II – Definitions

2.01 Statutory Definitions: The words and phrases used within have the same meaning as set forth in the (MRTMA) except as modified herein.

2.02 Cultivate means to propagate, breed, grow, harvest, dry, cure, or separate parts of the marihuana plant by manual or mechanical means.

2.03 Department means the **Michigan Marijuana Regulatory Agency.**

2.04 Industrial hemp means a plant of the genus cannabis and any part of that plant, whether growing or not, with a delta-9 tetrahydrocannabinol concentration that does not exceed 0.3% on a dry-weight basis, or per volume or weight of marihuana-infused product, or the combined percent of delta-9-tetrahydrocannabinol and tetrahydrocannabinolic acid in any part of the plant of the genus cannabis regardless of moisture content.

2.05 Licensee means;

A. an applicant who is issued a municipal operating license pursuant to this ordinance; and

B. an applicant who is issued a state operating license pursuant to the provisions of the MRTMA.

2.06 Marihuana means all parts of the plant of the genus cannabis, growing or not; the seeds of the plant; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant or its seeds or resin, including marihuana concentrate and marihuana-infused products. For purposes of this ordinance, marihuana does not include:

A. the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks, except the resin extracted from those stalks, fiber, oil, or cake, or any sterilized seed of the plant that is incapable of germination; or

- B. industrial hemp; or
- C. any other ingredient combined with marihuana to prepare topical or oral administrations, food, drink, or other products.

2.07 *Marihuana Accessories* means any equipment, product, material, or combination of equipment, products, or materials, which are specifically designed for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, containing, ingesting, inhaling, or otherwise introducing marihuana into the human body.

2.08 *Marihuana Concentrate* means the resin extracted from any part of the plant of the genus cannabis.

2.09 *Marihuana Establishment* under this ordinance means **only** a marihuana grower, marihuana safety compliance facility, marihuana processor, marihuana retailer, marihuana secure transporter.

2.10 *Marihuana Grower* means a person licensed to cultivate marihuana and sell or otherwise transfer marihuana to marihuana establishments.

2.11 *Marihuana-Infused Product* means a topical formulation, tincture, beverage, edible substance, or similar product containing marihuana and other ingredients and that is intended for human consumption.

2.12 *Marihuana Processor* means a person licensed to obtain marihuana from marihuana establishments; process and package marihuana; and sell or otherwise transfer marihuana to marihuana establishments.

2.13 *Marihuana Retailer* means a person licensed to obtain marihuana from marihuana establishments and to sell or otherwise transfer marihuana to marihuana establishments and to individuals who are 21 years of age or older.

2.14 *Marihuana Secure Transporter* means a person licensed to obtain marihuana from marihuana establishments in order to transport marihuana to marihuana establishments.

2.15 *Marihuana Safety Compliance Facility* means a person/facility licensed to test marihuana, including certification for potency and the presence of contaminants.

2.16 *Municipal License* means a license issued by the Township pursuant to the authority of this ordinance and the MRTMA that allows a person to operate a marihuana establishment in the Township.

2.17 *Municipality* means the Charter Township of Mount Morris.

2.18 *Person* means an individual, corporation, limited liability company, partnership of any type, trust, or other legal entity.

2.19 *Process or Processing* means to separate or otherwise prepare parts of the marihuana plant and to compound, blend, extract, infuse, or otherwise make or prepare marihuana concentrate or marihuana-infused products.

2.20 *State License* means a license issued by the Department that allows a person to operate a marihuana establishment.

2.21 *Unreasonably Impracticable* means that the measures necessary to comply with the rules or ordinances adopted pursuant to this ordinance subject licensees to unreasonable risk or require such a high investment of money, time, or any other resource or asset that a reasonably prudent businessperson would not operate the marihuana establishment.

Article III – General Restrictions

3.01 *General Restrictions:* a person is prohibited from the following:

A. Acquiring, possessing, cultivating, manufacturing, consuming, transferring, or transporting Marihuana except as provided in this Ordinance, the Michigan Regulation and Taxation of Marihuana Act **2018 IL 1 333.27953 to 333.27967**, the Michigan Medical Marihuana Facilities Licensing Act, **2016 PA 281, MCL 333.27101 to 333.27801**, the Michigan Medical Marihuana Act, **2008 IL 1, MCL 333.26421 to 333.26430**, or any other law of the State of Michigan allowing for or regulating marihuana for medical use or other applicable Township Ordinances;

B. operating, navigating, or being in physical control of any motor vehicle, aircraft, snowmobile, off-road recreational vehicle, or motorboat while under the influence of marihuana;

C. transferring marihuana or marihuana accessories to a person under the age of 21;

D. possessing, consuming, purchasing or otherwise obtaining, cultivating, processing, transporting, or selling marihuana if under the age of 21;

E. separating of plant resin by butane extraction or another method that utilizes a substance with a flashpoint below 100 degrees Fahrenheit in any public place, motor vehicle, or within the curtilage of any residential structure;

F. consuming marihuana in a public place or smoking marihuana where prohibited by the person who owns, occupies, or manages the property;

G. cultivating marihuana plants if the plants are visible from a public place without the use of binoculars, aircraft, or other optical aids or outside of an enclosed area equipped with locks or other functioning security devices that restrict access to the area;

H. consuming marihuana while operating, navigating, or being in physical control of any motor vehicle, aircraft, snowmobile, off-road recreational vehicle, or motorboat, or smoking marihuana within the passenger area of a vehicle upon a public way;

I. possessing marihuana accessories or possessing or consuming marihuana on the grounds of a public or private school where children attend classes in preschool programs, kindergarten programs, or grades 1 through 12, in a school bus, or on the grounds of any correctional facility; or

J. possessing more than 2.5 ounces of marihuana within a person's place of residence unless the excess marihuana is stored in a container or area equipped with locks or other functioning security devices that restrict access to the contents of the container or area.

3.02 This ordinance does not limit any privileges, rights, immunities, or defenses of a person as provided in the Michigan Medical Marihuana Act, **2008 IL 1, MCL 333.26421 to 333.26430**, the Medical Marihuana Facilities Licensing Act, **2016 PA 281, MCL 333.27101 to 333.27801**, or any other law of the State of Michigan allowing for or regulating marihuana for medical use.

3.03 This ordinance does not require an employer to permit or accommodate conduct otherwise allowed by this ordinance in any workplace or on the employer's property. This ordinance does not prohibit an employer from disciplining an employee for violation of a workplace drug policy or for working while under the influence of marihuana. This ordinance does not prevent an employer from refusing to hire, discharging, disciplining, or otherwise taking an adverse employment action against a person with respect to hire, tenure, terms, conditions, or privileges of employment because of that person's violation of a workplace drug policy or because that person was working while under the influence of marihuana.

3.04 This ordinance allows a person to prohibit or otherwise regulate the consumption, cultivation, distribution, processing, sale, or display of marihuana and marihuana accessories on property the person owns, occupies, or manages, except that a lease agreement may not prohibit a tenant from lawfully possessing and consuming marihuana by means other than smoking.

3.05 All other laws inconsistent with this ordinance do not apply to conduct that is permitted by this ordinance.

Article IV- Lawful Activities by a Person 21 Years of Age or Older

4.01 Except as otherwise provided in Article III of this ordinance, the following acts by a person 21 years of age or older are not unlawful, are not an offense, are not grounds for seizing

or forfeiting property, are not grounds for arrest, prosecution, or penalty in any manner, are not grounds for search or inspection, and are not grounds to deny any other right or privilege:

A. except as permitted by subdivision (B), possessing, using or consuming, internally possessing, purchasing, transporting, or processing 2.5 ounces or less of marihuana, except that not more than 15 grams of marihuana may be in the form of marihuana concentrate;

B. within the person's residence, possessing, storing, and processing not more than 10 ounces of marihuana and any marihuana produced by marihuana plants cultivated on the premises and cultivating not more than 12 marihuana plants for personal use, provided that no more than 12 marihuana plants are possessed, cultivated, or processed on the premises at once;

C. assisting another person who is 21 years of age or older in any of the acts described in this section; and

D. giving away or otherwise transferring without remuneration up to 2.5 ounces of marihuana, except that not more than 15 grams of marihuana may be in the form of marihuana concentrate, to a person 21 years of age or older, as long as the transfer is not advertised or promoted to the public.

4.02 Except as otherwise provided in Article III of this ordinance, the use, manufacture, possession, and purchase of marihuana accessories by a person 21 years of age or older and the distribution or sale of marihuana accessories to a person 21 years of age or older is authorized, is not unlawful, is not an offense, is not grounds for seizing or forfeiting property, is not grounds for arrest, prosecution, or penalty in any manner, and is not grounds to deny any other right or privilege.

Article V – Lawful Activities by a Marihuana Grower, Processor, Transporter, or Retailer

5.01 Notwithstanding any other law or provisions of this ordinance or the rules promulgated under this ordinance and except as otherwise provided in Article III of this ordinance or the rules promulgated thereunder the following acts are not unlawful, are not an offense and not grounds for seizing and forfeiting property are not grounds for arrest, prosecution, or penalty in any manner, are not grounds for search or inspection except as authorized by this ordinance and are not grounds to deny any other right or privilege.

A. A **Marihuana Grower** or an agent acting on behalf of a Marihuana Grower who is 21 years of age or older, cultivating not more than the number of marihuana plants authorized by the state license class; possessing, packaging, storing, or testing marihuana; acquiring marihuana seeds or seedlings from a person who is 21 years of age or older; selling or otherwise transferring, purchasing or otherwise obtaining, or transporting marihuana to or from a Marihuana Establishment; or receiving compensation for goods or services;

B. A **Marihuana Processor** or agent acting on behalf of a Marihuana Processor who is 21 years of age or older, possessing, processing, packaging, storing, or testing marihuana; selling or otherwise transferring, purchasing or otherwise obtaining, or transporting marihuana to or from a Marihuana Establishment; or receiving compensation for goods or services;

C. A **Marihuana Secure Transporter** or an agent acting on behalf of a Marihuana Secure Transporter who is 21 years of age or older, possessing or storing marihuana; transporting marihuana to or from a Marihuana Establishment; or receiving compensation for services;

D. A **Marihuana Safety Compliance Facility** or an agent acting on behalf of a Marihuana Safety Compliance Facility who is 21 years of age or older, testing, possessing, repackaging, or storing marihuana; transferring, obtaining, or transporting marihuana to or from a Marihuana Establishment; or receiving compensation for services;

E. A **Marihuana Retailer** or an agent acting on behalf of a Marihuana Retailer who is 21 years of age or older, possessing, storing, or testing marihuana; selling or otherwise transferring, purchasing or otherwise obtaining, or transporting marihuana to or from a Marihuana Establishment; selling or otherwise transferring marihuana to a person 21 years of age or older; or receiving compensation for goods or services; or

F. Leasing or otherwise allowing the use of property owned, occupied, or managed for activities allowed under this ordinance;

G. Enrolling or employing a person who engages in marihuana-related activities allowed under this ordinance;

H. Possessing, cultivating, processing, obtaining, transferring, or transporting industrial hemp; or

I. Providing professional services to prospective or licensed Marihuana Establishments related to activity under this ordinance.

5.02 A person acting as an agent of a Marihuana Retailer who sells or otherwise transfers marihuana or Marihuana Accessories to a person under 21 years of age is not subject to arrest, prosecution, forfeiture of property, disciplinary action by a professional licensing board, denial of any right or privilege, or penalty in any manner, if the person reasonably verified that the recipient appeared to be 21 years of age or older by means of government-issued photographic identification containing a date of birth, and the person complied with any rules promulgated pursuant to this ordinance.

Article VI – License

6.01 Marihuana Establishments as described in this Ordinance are prohibited from operating within the Township without a license issued by the Mount Morris Township Zoning Administrator and a license issued by the Michigan Marijuana Regulatory Agency or its successor.

6.02 *Licenses Available:*

- A. An applicant may submit an application to the Township pursuant to this ordinance for the following types of licenses;
- B. Marihuana Retailer;
- C. Marihuana Safety Compliance Facility;
- D. Marihuana Secure Transporter;
- E. Marihuana Processor;
- F. Marihuana Grower Class A (cultivation of not more than 100 plants);
- G. Marihuana Grower Class B (cultivation of not more than 500 plants);
- H. Marihuana Grower Class C (cultivation of not more than 2000 plants).

6.03 **No Licenses will be issued by the Township to allow Marihuana Micro-Businesses, the sale and consumption of Marihuana in designated areas not accessible to persons under 21 years of age or for special Marihuana events in limited areas for limited times.**

6.04 All Marihuana Establishments licensed under this Ordinance shall:

- A. Comply with the record requirements of the MRTMA;
- B. Provide the following security measures;
 - i. A closed-circuit video surveillance system that operates 24 hours per day, 7 days a week, and which surveils all interior rooms of the establishment, each entrance and exit of the establishment, and all parking lots of the establishment
 - ii. At least one security guard at the establishment during hours of operation;
 - iii. A depositing safe with a time delay lock mechanism;
 - iv. Locking mechanisms which secure all entrance and exit doors.

6.05 *Hours of Operation:* Hours of operation of all marihuana establishments *open to the public* and licensed under this ordinance are limited to the following:

- A. Monday through Saturday 10:00am to 8:00pm;
- B. Sunday 10:00am to 4:00pm.

6.06 *Compliance Required:* At all times a licensee operating a Marihuana Establishment must comply with all the rules, regulations and requirements set forth by the State Department of Community Health, this ordinance, the Mount Morris Township Zoning Ordinance, and the MRTMA.

6.07 *Zoning Compliance:* a licensee operating a Marihuana Establishment must comply with all provisions of the Mount Morris Township Zoning Ordinance including but not limited to those provisions set forth in section 18.58.

6.08 *Exemption from Freedom of Information Act:*

- A. Information that the Township obtains from an applicant for any license pursuant to this ordinance is exempt from the disclosure under **Michigan Freedom of Information Act** being **MCL 15.231.et.al.**

6.09 *No person who holds an interest in a Marihuana Establishment:*

- A. Will hold an ownership interest in both a Marihuana Safety Compliance Facility or in a Marihuana Secure Transporter and in a Marihuana Grower, a Marihuana Processor or a Marihuana Retailer.
- B. Will hold an ownership interest in more than 5 Marihuana Growers, except that the Township may approve a license application from a person who holds an ownership interest in more than 5 Marihuana Growers if, after January 1, 2023, the Department promulgates a rule authorizing an individual to hold an ownership interest in more than 5 Marihuana Growers.

6.10 *License Fee:* A nonrefundable license fee of \$5,000 to defray application, administrative, and enforcement costs associated with the operation of Marihuana Establishments in the Township shall accompany any application for a license issued pursuant to this Ordinance, provided as follows:

- A. The Township shall issue no more than 10 Class A Marihuana Grower Licenses as described by the MRTMA.
- B. The Township shall issue no more than 10 Class B Marihuana Grower Licenses as described by the MRTMA.

C. There shall be no limit on the number of Class C Marihuana Grower Licenses, as described by the MRTMA, issued by the Township.

D. There shall be no limit on the number of Marihuana Processor Licenses, as described by the MRTMA, issued by the Township.

E. The Township shall issue no more than 3 Marihuana Compliance Facility Licenses as described by the MRTMA.

F. The Township shall issue no more than 5 Marihuana Secure Transporter Facility Licenses as described by the MRTMA.

G. The Township shall issue no more than 10 Marihuana Retailer Licenses as described by the MRTMA.

H. The Township Board may review and amend the above maximums by resolution annually or as it determines to be advisable. Such reviews shall not be the basis for termination or non-renewal of a license previously issued.

I. If the Township's limit on the number of Marihuana Establishment Licenses available prevents the Michigan Marijuana Regulatory Agency from issuing a State License to all qualified applicants the Township shall decide among competing applications by a competitive process intended to select applicants who are best suited to operate in compliance with this Ordinance.

6.11 License Term: All licenses issued pursuant to this Ordinance are valid for a term of 1 year from the date of issuance; thereafter, a license renewal application must be completed and a 5,000 dollar license renewal fee paid to defray application, administrative, and enforcement costs associated with the operation of Marihuana Establishments in the Township.

6.12 Application Process:

A. No action of any kind will be taken by the Township unless and until the applicant for licensure pursuant to this ordinance provides to the Township a prequalification letter from the Michigan Marijuana Regulatory Agency or its successor establishing that the applicant has completed step 1 of the Department's prequalification evaluation for the license in question.

B. After presentation of the prequalification letter the applicant must obtain site plan approval from the Planning Commission for the site, building, layout, and facilities in accordance with the Charter Township of Mount Morris Zoning Ordinance; and

C. Once the Planning Commission approves the site plan, the Zoning Administrator must provide the Applicant with an Application for License.

6.13 Application for License: An Application for License must be submitted to the Zoning Administrator and must be signed and verified under oath by the Applicant or the Applicant's Authorized Agent and must set forth the following

A. Whether any person named in the Application for License has previously had a license, which had been issued by the Township pursuant to this Ordinance or a license issued by any municipality pursuant to an Ordinance similar to this Ordinance, revoked or suspended;

B. If the Applicant is an individual, the name, address, telephone number, and Primary Caregiver ID number of the individual or individuals applying for a license or if the applicant is licensed by the State through the Facilities Licensing Act, then a copy of their state license and license number;

C. If the Applicant is not an individual, the name of the business, business address, telephone number, date of formation of the business, and the names, addresses, telephone numbers and Primary Caregiver ID Number of each shareholder, director, officer, member, and/or principal of the business and if the applicant is licensed by the State the Facilities Licensing Act, then a copy of their state license and license number;

D. The name, address, and telephone number of each employee of Applicant, and if applicable, the ID Number of any employee whose employment responsibilities will include the activities set forth in Article V;

E. The name of the business;

F. A description of the nature of the business;

G. The proposed location of the business;

H. The length of time for which the right to do business is sought;

I. The state sales tax license number of the business;

J. A 2 inch by 2-inch photograph, taken within 30 days of filing the Application, of the Applicant or authorized agent for the Applicant; and

K. A statement that no employee, shareholder, director, officer, member, and/or principal of the business is a police officer employed by a police department with jurisdiction in Mt. Morris Township, a fireman employed by a fire department with jurisdiction in Mt. Morris Township, or a Township employee;

L. All Applicants are under a continuing obligation to update all information required in this section.

6.14 *Submission of Application:* The completed Application must be submitted to the Zoning Administrator, and must include:

- A. The License Fee, as provided in Paragraph 6.10;
- B. An authorization authorizing the Township to obtain a Criminal History report for each person identified in the Application;
- C. An authorization authorizing the Township to obtain a Master Driving record of each person identified in the Application; and
- D. An Application for Special Land Use Permit, with all supporting documentation as required by the Charter Township of Mt. Morris Zoning Ordinance and the fee therefor.

6.15 *Investigation:* Upon receipt of an Application, the Zoning Administrator must:

- A. Request the Chief of Police to conduct an investigation of the Applicant by obtaining a computerized Criminal History and Master Driving Record of each person identified on the Application;
- B. Request the Building Inspector to conduct an inspection of the proposed facility of the applicant;
- C. Request the Fire Chief of the District in which the proposed facility of the applicant is located to conduct an inspection;
- D. Receive approval from the Chief of Police, from the Fire Chief of the District in which the facility is located, and from the Building Inspector; and
- E. If the applicant is licensed by the State of Michigan under the Facilities Licensing Act, copies of said license or licenses must be provided to the Township.

6.16 *Required Approvals:* Before a License may be issued, the following requirements must be satisfied:

- A. The Zoning Administrator determines that no person listed in the Application has previously had a license revoked which had been issued pursuant to this Ordinance or issued by any municipality pursuant to an Ordinance similar to this Ordinance;
- B. The Zoning Administrator is advised in writing by the Chief of Police that a computerized Criminal History, and Master Driving Record of each person identified on the Application do not show any convictions;
 - i. for a non-Marihuana related felony within the past 10 years; or

ii. for any offense involving the distribution of Marihuana to a minor;
or

iii. for any offense involving theft, dishonesty, or false statement within the past five years.

C. It is determined that the Applicant made no false or fraudulent statements on the Application;

D. The Zoning Administrator receives an inspection report from the Building Inspector which establishes that the building and premises of the proposed location of the business comply with all applicable construction code adopted by the Township;

E. The Zoning Administrator receives an inspection report from the Fire Chief of the district in which the proposed facility is located which established that the facility complies with applicable provisions of the fire code;

F. The Chief of Police has approved the Application after an investigation of the Applicant and an interview of the Applicant or the Applicant's authorized agent; and

G. The Planning Commission has approved the site plan.

6.17 Scheduling of Public Hearing: A public hearing on the Application must take place during the next regularly scheduled meeting of the Planning Commission after all requirements of this Ordinance have been met.

6.18 Approval of Application: After a public hearing, the Application must be approved if the Planning Commission determines that all provisions of the Charter Township of Mt. Morris Zoning Ordinance, and this Ordinance, are complied with and that no apparent danger exists to the Applicant, the Applicant's employees, or the citizens of the Township.

6.19 Issuance of License: The Zoning Administrator must issue a license promptly to an Applicant after the Applicant has complied with all recommendations of the Planning Commission, all requirements of this Licensing Ordinance and all requirements of the Charter Township of Mount Morris Zoning Ordinance

6.20 Record of Licenses Issued: The Zoning Administrator must keep a record of all licenses issued pursuant to this Ordinance.

6.21 License Suspension and Revocation: All licenses issued pursuant to this Ordinance may be temporarily suspended or revoked after Notice, as provided in Paragraph 6.23, and a hearing conducted by the Planning Commission for any of the following reasons:

A. Any violation of this ordinance;

B. Any fraud, misrepresentation, or false statement contained in the Application for License;

C. Any fraud, misrepresentation, or false statement made in connection with the selling of goods or merchandise, or made in the carrying on of the business for which the license was issued;

D. Conviction of the Licensee of any of the offenses listed in Section 6.16 B i, ii, or iii; or

E. Conducting the business under this Ordinance in an unlawful manner or in such a manner as to constitute disturbance of the peace or to constitute a menace to health, safety, or general welfare to the public.

6.22 Notice Required: Notice of a hearing for suspension or revocation of a license granted pursuant to this ordinance must be given in writing, stating with specificity, the grounds of the complaint and the time and place of the hearing. The Notice must be mailed, postage prepaid, to the Licensee, at the address listed by Applicant on the Application or such other address of Licensee thereafter provided to the Township at least 7 days before the date of the hearing.

6.23 Surrender on Demand: A license issued under this Ordinance must be surrendered on demand to a police officer based upon a probable cause belief by the officer that the Licensee is in violation of this Ordinance or any other Federal, State, or local laws, rules, regulations, or ordinances. A license surrendered under this Section must be returned to the Licensee within 48 hours upon failure by the Planning Commission to find cause to revoke the permit as described in Paragraph 6.22.

6.24 License Restrictions: A license to operate a *Marihuana Establishment* may not be issued to any police officer, fireman, or any other Mount Morris Township employee or to any entity in which any police officer, fireman, or any other Mount Morris Township employee has an interest.

6.25 Display of License: A license issued pursuant to this Ordinance must be posted in a visible location at all times.

6.26 Annual Inspections: Upon the filing by Licensee of a Renewal Application with the Township, the following must be conducted at the expense of the licensee.

A. The Chief of Police must conduct an investigation of a Licensee's criminal background and criminal records;

B. The Fire Chief of the District in which the facility is located must conduct an inspection of the licensee's premises to confirm that the licensee complies with the requirements of all applicable provisions of the fire code;

C. The Building Inspector must conduct an inspection of the Licensee's building and may request assistance from State Plumbing, Electrical, and Mechanical Inspectors, Inspectors from the local Health Department or any other persons to confirm that the building complies with the requirements of all applicable Construction Codes, Ordinances, and State and Federal laws.

6.27 *Random Inspections:* The Chief of Police, the Fire Chief, and/or the Building Inspector may conduct investigations and/or inspections at random times during the License term at the expense of the Township.

6.28 *Transfer of License:*

A. The same requirements that apply to all new applications for a license (Sec 6.12 - 6.21) apply to all applications to transfer an existing license issued under this ordinance to a new legal entity or individual(s). No license issued under this ordinance is transferable to any location except for the permitted premises on the permitted property and only after the transferee has applied for and obtained approval for the transfer including without limitation the payment of the same fees for the transferring license as apply for a new license (Sec 6.10, 6.11).

B. No license holder shall transfer any ownership interest in a license issued under this ordinance without first obtaining the express approval of the Mount Morris Township Board of Trustees after submitting a new application for a license including payment of any fees as would apply for a new license. Any unauthorized transfer or attempted transfer of an ownership interest in a license issued under this ordinance constitutes a violation of this ordinance.

C. No license holder shall transfer or otherwise convey more than 1% of the ownership interest in the entity owning the license within a single transaction or the sum of multiple transactions, without the express approval of the Mount Morris Township Board of Trustees.

D. The following actions constitute transfer of ownership and require a transfer application, application fee, and Mount Morris Township Board of Trustees approval:

1. **Persons.** Any transfer of more than 1% of an ownership interest in an Applicant or License Holder between Persons constitutes a transfer of ownership.

2. **Corporations.** Any transfer of more than 1% of stock or any change in principal officers or directors of any corporation holding a License constitutes a transfer of ownership.

3. **Limited Liability Companies.** Any transfer of more than 1% of membership interest or any change in managing members or change in the interest held by any managing members(s) of any limited liability company holding a License constitutes a transfer of ownership.

4. **Partnership.** Any transfer of more than 1% of a partnership interest or any change in general or managing partners of any partnership holding a License constitutes a transfer of ownership.

5. Assets. Any transfer of more than 1% of the assets held by an Applicant or License Holder within the Township constitutes a transfer of ownership.

Article VII – Violations

7.01 Penalties: A person who commits any of the following acts, and is not otherwise authorized by this act to conduct such activities, may be punished only as provided in this section and is not subject to any other form of punishment or disqualification, unless the person consents to another disposition authorized by law:

1. Except for a person who engaged in conduct described in Article III, a person who possesses not more than the amount of marihuana allowed by Article IV, cultivates not more than the amount of marihuana allowed by Article IV, delivers without receiving any remuneration to a person who is at least 21 years of age not more than the amount of marihuana allowed by Article IV, or possesses with intent to deliver not more than the amount of marihuana allowed by Article IV, is responsible for a civil infraction and may be punished by a fine of not more than \$100 and forfeiture of the marihuana.

2. Except for a person who engaged in conduct described in Article III, a person who possesses not more than twice the amount of marihuana allowed by Article IV, cultivates not more than twice the amount of marihuana allowed by Article IV, delivers without receiving any remuneration to a person who is at least 21 years of age not more than twice the amount of marihuana allowed by Article IV, or possesses with intent to deliver not more than twice the amount of marihuana allowed by Article IV:

a. for a first violation, is responsible for a civil infraction and may be punished by a fine of not more than \$500 and forfeiture of the marihuana;

b. for a second violation, is responsible for a civil infraction and may be punished by a fine of not more than \$1,000 and forfeiture of the marihuana;

c. for a third or subsequent violation, is guilty of a misdemeanor and may be punished by a fine of not more than \$2,000 and forfeiture of the marihuana.

3. Except for a person who engaged in conduct described by Article III, a person under 21 years of age who possesses not more than 2.5 ounces of marihuana or who cultivates not more than 12 marihuana plants:

a. for a first violation, is responsible for a civil infraction and may be punished as follows:

1. if the person is less than 18 years of age, by a fine of not more than \$100 or community service, forfeiture of the marihuana, and completion of 4 hours of drug education or counseling; or

2. if the person is at least 18 years of age, by a fine of not more than \$100 and forfeiture of the marihuana.

b. for a second violation, is responsible for a civil infraction and may be punished as follows:

1. if the person is less than 18 years of age, by a fine of not more than \$500 or community service, forfeiture of the marihuana, and completion of 8 hours of drug education or counseling; or

2. if the person is at least 18 years of age, by a fine of not more than \$500 and forfeiture of the marihuana.

4. Except for a person who engaged in conduct described in Article III, a person who possesses more than twice the amount of marihuana allowed by Article IV, cultivates more than twice the amount of marihuana allowed by Article IV, or delivers without receiving any remuneration to a person who is at least 21 years of age more than twice the amount of marihuana allowed by Article IV, shall be responsible for a misdemeanor, but shall not be subject to imprisonment unless the violation was habitual, willful, and for a commercial purpose or the violation involved violence.

7.02 *Injunction:* The Chief of Police, or his assignee, or the Genesee County Prosecuting Attorney, or the Township Attorney may institute injunction proceedings to prevent or enjoin any violation of the provisions of this Ordinance.

7.03 *Rights and Remedies are Cumulative:* The rights and remedies provided in this Ordinance are cumulative and are in addition to any other remedy provided by law.

7.04 *Conflict:* All other Ordinances or parts of Ordinances, and that are in conflict with this Ordinance, are hereby repealed.

Article VIII - Severability

8.01 *Severability:* The provisions of this Ordinance are hereby declared to be severable, and if any clause, sentence, paragraph, section, or subsection is declared void or inoperable for any reason, it will not affect any other part or portion thereof.

Article IX – Repeal

9.01 *Repeal:* All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed.

Article X-Effective Date

10.01 *Effective Date:* This Ordinance becomes effective upon publication after its adoption. A summary of this ordinance must be published in a newspaper circulated within the Charter Township of Mount Morris, Genesee County, Michigan.

Introduction:

First publication:

Adoption:

Second publication:

CERTIFICATION:

We, the undersigned, being respectively the Charter Township of Mount Morris Supervisor and the Charter Township of Mount Morris Clerk, Genesee County, Michigan, do hereby certify that the above Charter Township of Mount Morris Amendment to the Mount Morris Township Recreational Marihuana Licensing Ordinance (Section 6-50) was duly adopted by the Township Board of the Charter Township of Mount Morris, at which meeting a quorum was present.

Jolena Sims,
Supervisor
Charter Township of Mount Morris

Brenda Ashley,
Clerk
Charter Township of Mount Morris