

# HOW TO GET A DISPENSARY LICENSE IN MICHIGAN – 2025 GUIDE

This guide outlines licensing types, eligibility, application steps, and compliance strategies to help you successfully launch a legal cannabis dispensary in Michigan.



Michigan’s cannabis industry is thriving under the oversight of the Department of Licensing and Regulatory Affairs (LARA) and its Cannabis Regulatory Agency (CRA). The CRA is responsible for:

- Issuing and renewing cannabis business licenses
- Conducting facility inspections
- Enforcing regulatory compliance
- Promoting social equity within the marijuana industry

## Types of Dispensary Licenses

### 1. Medical Marijuana Provisioning Center

- Serves registered medical marijuana patients
- Requires patient verification and medical product offerings

### 2. Adult-Use (Recreational) Retail License

- Serves customers aged 21 and older
- Offers a wide range of cannabis products for recreational use

## Step-by-Step Application Process

### 1. Prequalification

- Background Checks on all stakeholders
- Financial Documentation (proof of assets, liabilities, income)
- Submit personal ID and supporting forms
- Pay the \$3,000 nonrefundable prequalification fee

### 2. Secure Local Zoning Approval

- Obtain approval from the municipality
- Ensure the property meets local zoning ordinances
- Property lease or deed
- Local licenses or permits
- Zoning compliance documentation

### 3. Full Application Submission

- Business plan
- Operational procedures
- Site plans and security layouts
- Inventory control protocols
- Municipal approvals

### 4. Fees vary based on license type

- Initial License Fee: \$1,000 – \$24,000
- Annual Renewal Fee: \$1,000 – \$24,000

## Operational Readiness and Inspections

- CRA Facility Inspection (regulatory readiness)
- Bureau of Fire Services (BFS) Inspection (fire safety)

Facility & Operations Requirements

- 24/7 surveillance, alarms, and access controls
- Seed-to-sale inventory tracking via Metrc
- Employee ID verification protocols
- Age verification systems (21+)
- Designated secure storage areas

License Renewal & Maintenance

- Updated business information
- Ownership or management changes
- Current security and operational certifications
- Payment of the applicable renewal fee

Social Equity Program

- Living in a designated area for 5+ years
- Prior marijuana-related conviction
- Residency in communities with historically high arrest rates

Program Benefits:

- Reduced license fees
- Technical assistance and mentorship
- Business development support
- Priority processing in some cases

Expense Category	Estimated Cost Range
Application Fee (Prequal)	\$3,000
Initial License Fee	\$1,000–\$24,000
Property Lease & Buildout	\$150,000–\$400,000+
Security System Installation	\$25,000–\$75,000
Initial Inventory	\$5,000–\$15,000

Key Takeaways

- Michigan’s CRA requires a two-step application process
- Prequalification must be completed before site-specific licensing
- Local zoning approval is essential before submitting your full application
- Security, inventory tracking, and inspection readiness are critical to license issuance
- Social equity applicants benefit from reduced fees and support
- Tools like IndicaOnline streamline Metrc compliance and operations

Want to Learn More? Click here to [book a call](#).

*Disclaimer: This is not legal advice; it serves solely as a general guideline. Please consult legal professionals for advice. This document was created in 2025 and reflects the information, policies, and details available at that time. We recommend verifying the accuracy and relevance of the content before referencing it in the future.*