Opportunities and Risks In Managing Marijuana Waste

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Ten states and Washington, DC now allow for recreational marijuana use, and 33 allow for medical use, but cannabis remains illegal under Federal law.
Michigan Department of Licensing and Regulatory Affairs (LARA) Bureau of Marijuana Regulation (BMR) is responsible for the oversight of medical and adult-use (recreational) marijuana in Michigan.
Michigan Medical Marijuana Program
• Approved in November, 2008
• New laws establishing the program approved in 2016
• Retail sales began in 2018
• 2018 Medical Sales: $869M

Michigan Adult-Use Marijuana Program
• Approved November, 2018
• Retail sales expected in late 2019 or 2020
New adult-use program allows possession for adults 21 and over.

Residents will be able to grow up to 12 plants.

A 10% tax is imposed on all marijuana sales.

License required for growers, processors, transporters, testers, and dispensaries.
“It’s no secret the cannabis market generates a lot of waste.”

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Waste Dive – October 29, 2018
Cultivating new business opportunities amid the cannabis boom

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Three main points of marijuana waste generation:

• Growers (Cultivation)
• Processors (Manufacturing and Extraction)
• Dispensaries (Distribution)
Cultivation = Grow Facilities

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Marijuana Waste must generally meet these requirements:

- Be removed from packaging and rendered “unusable and unrecognizable.”
- Be incorporated with non-cannabis waste such as non-consumable solid wastes
- Resulting mixture must be at least 50% non-marijuana waste and should be placed in a secured waste receptacle
Shredders or grinders can destroy tough solids including stems, stalks, and root balls.
Cultivation waste disposed in compactors, roll-off boxes, or solid waste containers from 2-10 yards
Composting cannabis plant waste is required in some states and the desired treatment method in several others.
5 Benefits of Composting Cannabis Waste

• Increase soil health; improving yields
• Comply with state regulations efficiently (with less dependency on pesticides)
• Decrease overall operational costs
• Promote sustainability – organic products
• Having cannabis waste composted by a licensed operator ensures public and environmental safety
In Colorado – prices are in a broad range from $50 - $400 cy
Processing – preparing cut flower, extraction (cold and heat)
Manufacturing = Processing

What are marijuana concentrates?
Also known as: 710 (the word “OIL” flipped and spelled backwards), wax, ear wax, honey oil, butane honey oil (BHO), shatter, dabs (dabbing), black glass, and errl.

How are marijuana concentrates processed?
Most use forms of pressure and filtering but some use solvents including butane or CO2 to deliver a more potent product.

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Distribution = Dispensaries
Aspen Airport Now Offers Marijuana-Only Disposal Bins: Keeps You From Breaking Federal Law

Marijuana at airports: Colo., Wash. adjust to new laws

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Top 5 Cannabis Cultivation Violations for 2018:

1. **Inventory Controls** – the licensee does not reconcile all on-premises cannabis inventory with the inventory tracking system and account for all variances as required.

2. **Business Records Required** – the facility does not document material changes required for standard operating procedures and regulated processes.

3. **Financial Filings** – the business is not compliant with IRS regulations for required tax filings.

4. **Waste Management** – the cultivation facility has not properly documented all cannabis waste and cannabis waste removal.

5. **OSHA Records** – the business does not have a complete inventory of SDS documents where chemicals and or pesticides are stored.

Credit: Adherence Compliance

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Best Management Practices

1. In order to avoid fines, penalties and further regulatory inspections, implement routine compliance inspections. This is especially true of inventory tracking systems, which are the most problematic systems in terms of compliance.

2. Implement routine compliance training for your management team and staff. Learn about safeguarding inventory and avoiding potential vulnerabilities from risk of theft, cannabis diversion and waste.

3. Be proactive and start now. Compliance saves time and money. Protect your business assets at all times.

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Thank you!

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QUESTIONS?

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