

## Breakdown of Application, Licensing, and Renewal Fees in Adult-Use States

Cannabis application and licensing fees vary in the 15 states where cannabis is legal for adults' use. In some states, the fees depend on the size, type, or profitability of the business. Fees can be set by statute or by regulation, often with caps or guidance in the statutes.

Application fees range from \$100 for small growers in Maine and Massachusetts to \$6,000 for Michigan applicants, with most states charging no more than \$1,000 in application fees. Meanwhile, licensing fees range from as low as \$9 per plant for small, outdoor grows in Maine to as high as \$850,000 for large Illinois medical cannabis growers that transitioned to also serve adult-use consumers. The bulk of hefty early-start fees in Illinois were earmarked for start-up loans and grants for businesses run by individuals from communities who were hardest hit by the war on cannabis. Several other states are considering this model.

It is important that fees and other financial requirements for small cannabis businesses be reasonable. With the possible exception of large businesses, fees should be no higher than what is necessary to cover regulatory costs. Small farms, individuals and communities that have been the most impacted by prohibition, and current and prospective small businesses should be included in this new industry, and excessive fees or high capital requirements can make that impossible.

State	Application Fees	Retail License	Cultivation License	Product Manufacture License	Lab License	Other Licenses
Alaska	\$1,000 application and renewal	Initial: \$5,000 Annual renewal: \$7,000	Limited, initial: \$1,000 Annual renewal: \$1,400 Standard, initial: \$5,000 Annual renewal: \$7,000	Concentrates only, initial: \$1,000 Annual renewal: \$2,000 Standard, initial: \$5,000 Annual renewal: \$7,000	Initial: \$1,000 Annual renewal: \$5,000	Onsite consumption endorsement: \$2,000
Arizona	TBD (law enacted in Nov. 2020)	TBD, must be no more than five times medical dispensary licensing fees. That would be a maximum of \$25,000 initially and \$5,000 for a renewal. Dispensaries are vertically integrated.	Vertically integrated — see Retailer column Medical has a \$2,500 fee to change or add a cultivation site. Five times that would be up to \$12,500.	Vertically integrated — see Retailer column	TBD, must be no more than five times medical dispensary licensing fees. That would be a maximum of \$25,000 initially and \$5,000 for a renewal.	N/A

State	Application Fees	Retail License	Cultivation License	Product Manufacture License	Lab License	Other Licenses
California	Cultivation: Ranges from \$135 (special cottage outdoor) to \$8,655 (medium indoor) Product manufacture: \$500 or \$1,000 All others: \$1,000	\$4,000-\$120,000 annually (based on estimated value of planned operations)	\$2,000-\$75,000 annually depending on gross annual revenue	Ranges from \$1,205 (cottage outdoor) to \$77,905 (medium indoor) annually	\$12,500-\$90,000 annually (based on estimated value of planned operations)	Distributor: \$1,200- \$200,000 annually Micro-business: \$10,000-\$180,000 annually (fee based on estimated value of planned operations) Events: \$5,000- \$10,000 (based on number of events)
Colorado	Initial — store, cultivator, manufacturer: \$5,000 Initial — lab, transporter, hospitality: \$1,000 Annual renewal: \$300	Initial: \$2,000 Annual renewal: \$1,500	Initial: \$1,500 Renewal: varies based on plant numbers 1-500 plants: \$1,500 501-1,500: \$2,300 1,501-3,000: \$3,500 Each additional 3,000: \$800	Initial: \$1,500 Renewal: \$1,500	Initial: \$1,500 Renewal: \$1,500	Transporter: \$4,400 (initial and renewal) Hospitality: \$1,000 initial, \$750 renewal Research and Development: \$1,500
<b>Illinois</b> — early start for medical providers		Permit fee: \$30,000 Social equity fund: \$100,000 (or 3% of 6/2018 - 6/2019 sales, if it is less) and by 3/31/21, a \$100,000 social equity obligation (or 3% of 6/2018 - 6/2019 sales) Second license: \$200,000 to the fund Bi-annual renewal: \$60,000	Permit fee: \$100,000 Social equity fund: \$250,000 to \$750,000 (based on 5% of 6/2018 - 6/2019 sales) and by 3/31/21, a \$100,000 social equity obligation (or 5% of 6/2018 - 6/2019 sales) Annual renewal: \$100,000	Vertically integrated with cultivators		
Illinois	\$5,000, unless revised by rule Reduced by half for certain social equity applicants	\$60,000 May be waived for certain social equity applicants	Cultivation centers: \$100,000 annually Craft growers: \$40,000 annually May be waived for certain social equity applicants	Renewal: \$20,000 annually May be waived for certain social equity applicants		Transporter: \$10,000 May be waived for certain social equity applicants

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Maine	Cultivation: \$100 (Tier 1) or \$500 (Tiers 2-4) Retail, lab, manufacturer: \$250 Sample collector: \$100 Nursery: \$60	\$2,500	Annual fees: Outdoor: Tier 1: \$9/mature plant or \$250 Tier 2: \$1,500 Tier 3: \$5,000 Tier 4: \$15,000 +\$5,000 for approved increases in canopy Indoor/Both: Tier 1 \$17/mature plant or \$500 Tier 2: \$3,000 Tier 3: \$10,000 Tier 4: \$30,000 +\$10,000 for approved increases in canopy \$350 for nurseries	\$2,500	\$2,500	Sample collectors: no more than \$250
Massachusetts	Cultivator: \$100-2,000 Cooperative: Same, but also \$100 or \$200 fee for added location Micro: \$1,000 Product manufacturing, lab, social consumption: \$1,500 All others: \$300 Application fees are waived for social equity and economic empowerment applicants	\$10,000 annually Social equity, economic empowerment, and micro: \$2,5000 annually	\$1,250-\$50,000 (Based on canopy size and indoor vs. outdoor) Craft cooperatives: added \$625 or \$1,250 fee for additional location 50% lower annually for social equity, economic empowerment	\$10,000 annually Social equity, economic empowerment, and micro: \$2,5000 annually	\$10,000 annually Social equity, economic empowerment, and micro: \$2,5000 annually	Social consumption: \$10,000 annually Transporter: \$5,000 annually Delivery: \$10,000 annually Research: \$10,000 annually Social equity, economic empowerment, and micro: \$2,5000 annually
Michigan	\$6,000	Initial: \$25,000 Annual renewal: \$20,000, \$25,000, or \$30,000 depending on gross sales	Initial: \$4,000, \$8,000, or \$40,000 Annual renewal: \$3,000-\$50,000 depending on gross weight transferred	Initial: \$40,000 Annual renewal: \$30,000, \$40,000, or \$50,000 depending on gross weight transferred	Initial: \$25,000 Annual renewal: \$20,000, \$25,000, or \$30,000 depending on tests conducted	Transporter: Same as stores Onsite: \$1,000 annually Events: \$1,000
Montana	TBD by regulators. Fees may not exceed the amounts needed to cover regulatory and enforcement costs.	TBD by regulators. Fees may not exceed the amounts needed to cover regulatory and enforcement costs.	TBD by regulators. Fees may not exceed the amounts needed to cover regulatory and enforcement costs.	TBD by regulators. Fees may not exceed the amounts needed to cover regulatory and enforcement costs.	TBD by regulators. Fees may not exceed the amounts needed to cover regulatory and enforcement costs.	TBD by regulators. Fees may not exceed the amounts needed to cover regulatory and enforcement costs.

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Nevada	\$5,000	Initial: \$20,000 Annual renewal: \$6,600	Initial: \$30,000 Annual renewal: \$10,00	Initial: \$10,000 Annual renewal: \$3,300	Initial: \$15,000 Annual renewal: \$5,500	Transporter, initial: \$15,000 Annual renewal: \$5,500
New Jersey  Note: This information is based on A. 21/S. 21, which passed the legislature but is not yet law as of Jan. 4, 2021.	Control Commission; fees must be "reasonably calculated not to exceed the cost of the activity for	TBD by Cannabis Control Commission; annual fees must be "reasonably calculated not to exceed the cost of the activity for which the fee is charged."	TBD by Cannabis Control Commission; annual fees must be greater for more square feet of cultivation Social equity excise fee set starting at 0.333% of the average retail price; may be increased by the Commission to up to \$60/ounce if retail prices drop below \$200/ounce.	Control Commission; annual fees must be "reasonably calculated not to exceed the cost of the activity for which the fee is	TBD by Cannabis Control Commission; annual fees must be "reasonably calculated not to exceed the cost of the activity for which the fee is charged."	Distributor: determined by the Commission, with higher fee for larger operations Cannabis consumption area endorsement: determined by the Commission Microbusinesses: Fees cannot exceed half the fee of non- microbusinesses of the same type
Oregon	\$250 application and renewal application	\$4,750 annually	Annual fees: Micro tier 1: \$1,000 Micro tier 2: \$2,000 Tier 1: \$3,750 Tier 2: \$5,750	\$4,750 annually	\$4,750 annually Sampling laboratory: \$2,250 annually	Wholesale: \$4,750 annually
Vermont	TBD by legislature following recommendations from Cannabis Control Board	TBD by legislature following recommendations from Cannabis Control Board	TBD by legislature following recommendations from Cannabis Control Board	TBD by legislature following recommendations from Cannabis Control Board	TBD by legislature following recommendations from Cannabis Control Board	Wholesaler and integrated licensee fees are also TBD
Washington	\$250 Testing labs: \$2,747	\$1,381	\$1,381	\$1,381	Years 1-3: \$6,192/year, plus per diem and travel for audit* Year 4: likely \$1,667 *Plus \$150/hour for additional required follow-up	Research: \$1,300 Medical endorsement: No fee