

Bulletin Number: MD_IB_0068	Distribution Date: 06/16/23	Effective Date: Ongoing
Contact Point: Metrc® Support	Subject: Relicensing, Support Fees, and Tag Pricing.	
Reason: Metrc is providing some updates and new implementations		

Greetings Metrc Users,

Metrc, in conjunction with the MCA, would like to provide guidance on what to expect when relicensing from a medical to a standard adult-use and medical license.

In addition, Metrc has included information for paying Industry Support Fees and pricing changes for tags beginning on August 1, 2023.

Please find on the following pages a detailed description of how to create an item:

Metrc Relicensing: Updating License Numbers

MCA Relicense Requirements

To facilitate an efficient license conversion within Metrc, the MCA and Metrc are working collaboratively to ensure existing medical licenses are converted to the standard medical and adult-use market via a batch conversion on June 26th, 2023. Businesses participating in the batch conversion will be automatically updated to their new license. To participate in this conversion, a currently licensed business must have met the following criteria:

- (1) Submitted the intent to convert form, denoting which license(s) will be converted.
- (2) Completed and signed any required attestations; and
- (3) Paid the one-time conversion fee.
- (4) No open transfers

The MCA must receive the conversion fee before June 26, 2023, in order for a business to participate. Businesses that have not completed the above requirements will be required to follow the relicensing protocol below and work with Metrc Support to transition from the existing medical license to the converted standard medical and adult use license.

After the batch conversion event on June 26th, Metrc Support will be processing Relicenses. A Relicense is an electronic transfer of all active inventory from one license into another license, effectively updating the 'old' license account to the 'new' license account.

- After June 26th, the industry administrator will contact Metrc Support for a relicense and provide the following information:
 - o Relicense Request Requirements:
 - Old License Number
 - New License Number
 - Industry Administrator's Name, Email, and Badge Number
- Once the Relicense request has been received by Metrc Support, Metrc will confirm with the Maryland Cannabis Administration (MCA) that the relicense is approved.
- After Metrc Support confirms the relicense is approved, the Industry Administrator must prepare the old license prior to Relicensing to the new license.

- **Re-Licensing Conditions:**
 - Inventory will need to reflect as follows:
 - There must be no open Outgoing or Incoming Transfers.
 - Transfers must be either Received, Returned, or Voided.
 - ALL active Packages must have "Not Submitted", "TestPassed", or "Retest Passed" Lab Test Status. **(To be prepared by Metrc Support if package inventory does not align with the permitted statuses)**
 - **(Final Step upon receiving confirmation to proceed by Metrc Support)** All Employees must be removed from the old license (including the Industry Admin)
- **Metrc highly recommends Industry Administrators to run reports required for historical documentation prior to Relicensing.** While active inventory will be imported to the new license, there will be some information that will no longer be available after the transition.
 - **Inventory that will not be imported to the new license:**
 - Plants that have been Harvested or Destroyed will not be moved.
 - Harvests that have been Finished will not be moved.
 - Packages that have been Finished or Discontinued will not be moved.
 - Sales that have been Finished or Voided will not be moved.
 - Open Transfers or Transfers that have been Completed, Rejected, or Voided will not be moved.
 - **Data to be moved (wherever applicable):**
 - Plant Groups
 - Plants
 - Packages
 - Items
 - Locations
 - Strains
 - Patients
 - Unused Plant and Package Tags
- **If there are any known conflicts that prevent a license from meeting the conditions above, please notify Metrc Support to determine the best solution.**

- If the conditions match the old license, Metric Support will perform the following actions:
 - o Finalize the Relicense.
 - o Send a Welcome Email to the Industry Administrator to access the new license number.
 - o Notify the Maryland Cannabis Administration when the Relicense is completed.
 - o Notify the Industry Administrator for the business that the Relicense is completed.

- When access has been obtained, the Industry Administrator must populate their employees on the new license account and business can resume.

- **Additional Impacts to Note:**
 - o Although all tags that are currently available under the old license will be transitioned and available for use, any new Metric Tags ordered under the new license will not be identical to the old format's sequencing.
 - o Metric and the MCA recommend refraining from testing until after relicensing has been completed as to not interfere with the relicensing process.
 - o Any additional business practices that would interfere with the relicensing conditions, such as sales and harvesting, may continue to be performed if you are unable to utilize Metric during this process. However, once relicensing has been completed, that information will need to be populated under the new license account.
 - o The Administrator should generate a new API Key and communicate with their Third-Party Integrator to reconnect integration if using a Point of Sale Program.

Metrc Support Fees & Tag Updates

Under the new agreement established between the Maryland Cannabis Administration (MCA) and Metrc, and due to recent changes in the market, the following price changes will go into effect beginning August 1, 2023:

- Monthly reporting fees will change to \$40/mo. per Active License
- Plant tags will change to \$0.40 per plant tracked.
- Package tags will change to \$0.40 per package tracked.

Additional information on the definition of an Active License and guidance on how to deactivate a license is noted below.

What is an Active License?

Metrc considers every unique license number that is (a) credentialed in the system, and (b) in an “Active” status as set forth by the state’s rules for any 1 day of any 1 month as having a financial liability for the license for that period, regardless of the business’s use or non-use of the system so that the state may report on that license’s existence. Please read on for more details regarding new functionality and what you may experience in Metrc if your license is past due on payment(s).

How to Deactivate a License

If a license in Metrc is no longer being used, a request can be made to update the license status to non-operational which will deactivate the Metrc account. To request license(s) status update and deactivation of the Metrc account, a written request, including confirmation from Metrc that all support fee invoices are paid in full, must be submitted to enforcement.mmcc@maryland.gov

Please note: Once a license has been deactivated in Metrc, monthly Metrc Support fees will no longer be assessed to the license. Additionally, once deactivated, **no employee(s) or owner(s) will be able to access the Metrc account/license for that facility.**

Metrc recently deployed functionality to notify licensees of past due monthly Support fee payment(s). The following functionality will be automated depending on the delinquency of the licensed account.

Credentialing – No payments past due

While previously a multi-click, post-onboarding exercise, now, when a new license is credentialed in Metrc, an “*Add Payment on File*” screen will auto-populate to make it easier for the Admin to add a preferred credit card on file.

Alert Phase – Payment is 30 days past due

Upon logging in to Metrc, all users will see a yellow banner at the top of the screen stating Support Fees are not up to date – see below in **Figure 1**:

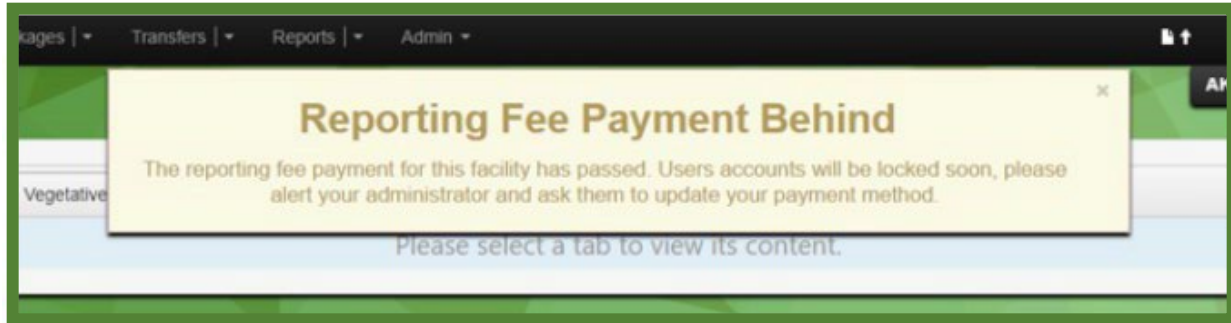


Figure 1: Support Fees Not Up to Date

Warning Phase – Payment is 60 days past due (30 days prior to system access suspension)

Financial users will receive a “Please add a credit card to support payment of reporting fees” pop-up window with actionable fields to fill in upon logging into Metrc. We are allowing this to remain “optional” during the Warning Phase such that all system access will remain in place should users elect to not make payment at that time – see in **Figure 2**:

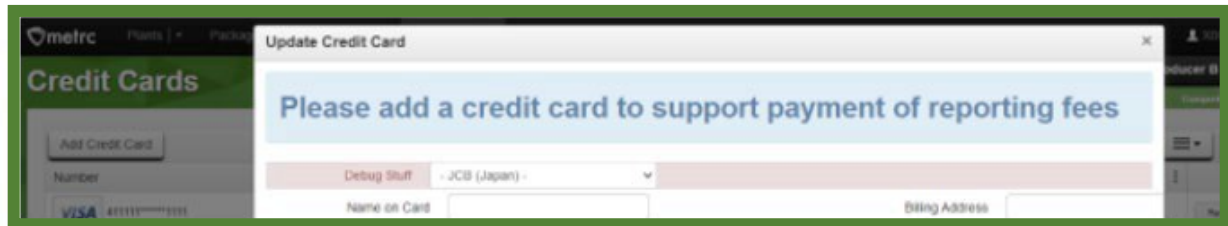


Figure 2: Please Add a Credit Card to Support Payment of Reporting Fees

All other, non-financial users will receive a “Reporting Fee Payment Behind – The reporting fee payment for this facility has passed. User accounts will be locked soon, please alert your administrator, and ask them to update your payment method.” pop-up window upon logging into Metrc – see in **Figure 3**:

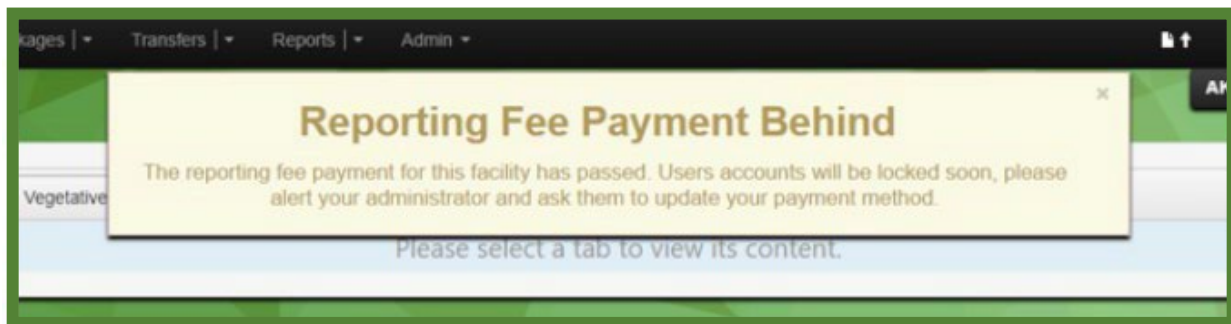


Figure 3: Reporting Fee Payment Behind

Enforcement Phase – Payment is 90 days past due

Financial users will receive a “Users Currently Locked Out For Non-Payment – The reporting fee payment for this facility has passed, and non-financial users are currently locked out. Please update your billing method to restore access.” pop-up window with actionable fields to fill in upon logging into Metrc. Payment is no longer optional and to regain access to the system, payment must be brought current to less than 90 days. Any subsequent delinquencies that reach 90 days will again trigger account suspension. This is shown in **Figure 4**.

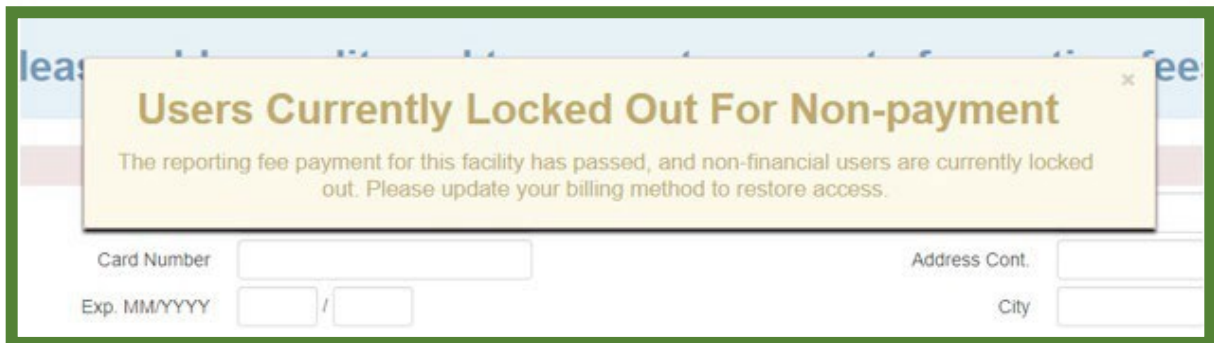


Figure 4: Users Currently Locked Out For Non-Payment

All other, non-financial users will receive a “Your access to this facility has been locked for nonpayment.” pop-up window upon logging into Metrc. These users should contact their administrator to resolve the situation– see in **Figure 5**:

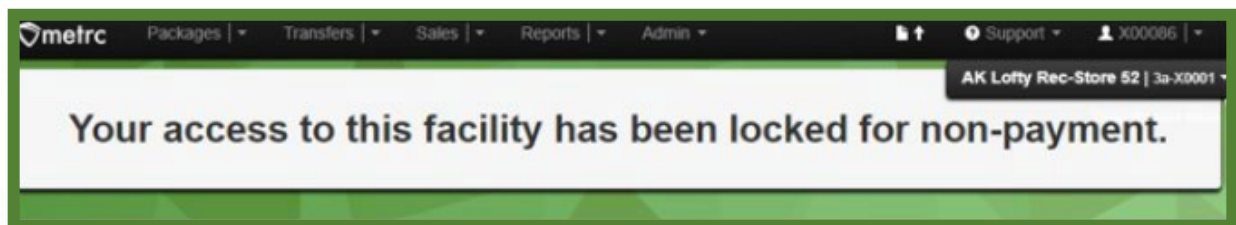


Figure 5: Your Access to This Facility Has Been Locked for Non-Payment

It is important that your payments to Metrc remain current and balances due are paid on time. In doing so, users should not experience the functionality noted above when logging in and using the Metrc system.

If you are unsure if your license is past due on payments, you can request that your Admin or financial user log in to Metrc to review payment status and to make sure a current form of payment is on file. For ease of payment, there are two options listed below.

Pay by credit card

It is recommended to maintain a valid credit or debit card on file. To review, update, or add a credit or debit card, log in to Metrc and navigate to the Financials screen. Please contact Metrc Support if you need assistance.

Pay by check

Payments can be made via check or money order and sent to the following address:

Metrc LLC
4151 South Pipkin Rd.
Lakeland, FL 33811

Metrc is committed to the continuous improvement of our technology solutions, products, and services and ensures that costs are affordable, equitable, and straightforward to both client agencies and businesses. We value our relationship and take pride in supporting the success of your business operations.

For questions regarding the amount owed, payment setup, or other account-related inquiries, you can contact Metrc Support at 877-566-6506 or support@metrc.com. Please provide your license # and Metrc username to aid in the inquiry process.