



GOVERNOR GREG GIANFORTE  
DIRECTOR BRENDAN BEATTY

August 23, 2022

Economic Affairs Interim Committee  
Montana State Legislature  
PO Box 201706  
Helena, Montana 59620-1706

**RE: Response to Objection to MAR Notices No. 42-1058, No. 42-1059**

Chair Bogner and EAIC Committee Members,

I'm writing in response to your written objection, received by the Department on August 19, 2022, regarding EAIC's objection to MAR Notices No. 42-1058 and No. 42-1059, which consisted of two proposed rules to allow for additional cultivation canopy tiers 13-15 and set the licensing fee, and one proposed rule to clarify what is allowed under legal loyalty programs currently utilized by many marijuana dispensary licensees.

The department will file a Notice of Decision with the Secretary of State on August 30, 2022, to withdraw these two rule packages. With the limited time available for executive branch agencies to meet the rules adoption deadline of October 1, 2022, we do not believe we have enough time to resolve the committee's concerns and allow for additional public comments as required by the Montana Administrative Procedures Act (MAPA).

The department wishes to have a collaborative and transparent relationship with the committee. We hope in the future when concerns arise from the department's drafted rules, the committee will work to resolve those issues with program staff prior to objecting to the rule(s). Program staff are always available to provide additional information during or after a hearing on issues that arise from public testimony.



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