Division of Cannabis Regulation Guidance Document – 07.20.23

Topics: Statewide Track and Trace System, Metrc – Item Categories

Please note all rules referenced herein are from the proposed rules filed on May 15, 2023. The proposed final rules are located at: https://health.mo.gov/safety/cannabis/pdf/19csr100-proposed-rules-filed-051523.pdf.

In preparation for the Item Approval process, the Division of Cannabis Regulation (DCR) is making changes to the item categories available in the statewide track and trace system, Metrc. DCR will implement the changes on **July 28, 2023**.

Item Categories in Metrc are the acceptable list of categories that licensees are required to choose from when creating items. Licensees can create an unlimited number of items, also known as marijuana products or marijuana product SKUs.

Changes to the item categories are necessary to ensure DCR only reviews licensees' final marijuana products for the Item Approval process. Pursuant to 19 CSR 100-1.010(33), "Final marijuana product" means marijuana product that is intended for human use and includes all ingredients whether or not the ingredients contain cannabinoids. Where marijuana will be sold in a method of administration, the marijuana product must be processed into its method of administration before it is a final marijuana product.

To transition to the Item Approval process, licensees will need to discontinue and remake existing items in Metrc to align with the new, and approved, item category names and requirements. These updates must be complete **by August 31, 2023**. If licensees neglect to identify "Final Packaging" items by August 31, 2023, licensees risk not having the necessary items available for product distribution when the item approval process is required.

Licensees who create "Final Packaging" items prior to September 1, 2023, will have the ability to use those items until February 1, 2024, to allow licensees the ability to exhaust all existing final marijuana products and packaging while transitioning to new requirements. With this, it is the Department's expectation that licensees are actively working towards compliance; including receiving an Item Approval number from the Department prior to February 1, 2024 for all products and packaging that will be used on and after February 1, 2024.

Licensees shall prepare for the Metrc item category changes in the following manner:

- Licensees shall discontinue any marijuana product items in Metrc no longer produced by the licensee. This should take place **prior to** the item category changes taking effect on **July 28, 2023**.
- 2. Licensees shall use the item category and required field information provided in the Packaging, Labeling and Product Design Guide to plan for the upcoming item category changes. Licensees shall determine which item category their current marijuana product SKUs best fit and outline what information should be included in the required fields.
- 3. When the item category changes take effect, licensees shall discontinue all remaining marijuana product items the licensee has in Metrc and reenter them to better align with the new item categories

a. Licensees' reentered marijuana product items must including the required fields specific to each item category and any other marijuana product information pursuant to 19 CSR 100-1.130(1)(F).

DCR provides details pertaining to Item category changes and required fields in the Packaging, Labeling and Product Design Guide updated July 2023.

To avoid unnecessary use of Metrc tags, licensees do not need to repackage any marijuana product tagged with old item information <u>until</u> the product is processed or packaged into a new tag. Dispensary licensees can continue to sell from tags aligned with previous item categories until their inventory is gone. Licensees must align all marijuana product in inventory to new item categories prior to February 1, 2024.

DCR would like to reiterate these changes are in **preparation** for the product, packaging and label design review process, the Item Approval process, outlined in 19 CSR 100-1.120(2). Licensees should create items appropriately in the item categories listed in the Packaging, Labeling and Product Design Guide, *including* the "Final Packaging" item categories starting July 28, 2023. If licensees neglect to identify and reenter "Final Packaging" items into Metrc now, licensees risk not having the ability to distribute final marijuana product SKUs when the Item Approval process is required on September 1, 2023. As a reminder, DCR does not consider items created in the "Final Packaging" item categories as approved until after a licensee has made a submission to DCR *and* the licensee has received an Item Approval number for the marijuana product, packaging, and label design, as a whole.

DCR will provide licensees with an updated Packaging, Labeling and Product Design Guide this month to assist licensees with the new requirements. DCR will email this guide to the license's designated contact and it will be available on our website at https://health.mo.gov/safety/cannabis/facility-comms-guidance.php. In addition, licensees may contact DCR at CannabisProductCompliance@health.mo.gov for questions regarding this rule requirement.