

Legislative Analysis



TRANSFER REVENUE FROM MARIHUANA REGULATORY FUND TO GENERAL FUND

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 6120 as introduced
Sponsor: Rep. Cynthia Johnson
Committee: Appropriations
Complete to 8-31-20

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 6120 would amend the Medical Marihuana Facilities Licensing Act to transfer \$17.0 million of state restricted fund revenue from the Marihuana Regulatory Fund (MRF) to the general fund for the fiscal year ending September 30, 2020.

MCL 333.27604

FISCAL IMPACT:

Department of Licensing and Regulatory Affairs (LARA) – House Bill 6120 would transfer \$17.0 million from the MRF to the state's general fund. This transfer was agreed to as part of a FY 2019-20 budget balancing agreement. Under current law, broadly speaking, funds within the MRF can only be used for administrative and enforcement activities under the Medical Marihuana Facilities Licensing Act (there are also statutory earmarks for revenues from regulatory assessments). Unexpended fund balances remain in the fund at the end of the fiscal year and do not lapse to the general fund. There is a projected year-end fund balance of \$21.8 million, a sufficient amount to support the transfer that would be made under this bill. There would be no adverse effects to items currently utilizing appropriations from this fund.

Fiscal Analyst: Marcus Coffin

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