

Legislative Analysis



PROHIBIT MARIJUANA LICENSE DENIAL BASED ON CERTAIN EMPLOYMENT OF SPOUSE OF APPLICANT

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

House Bill 5839 as introduced
Sponsor: Rep. Pat Outman
Committee: Regulatory Reform
Revised 8-24-22

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

SUMMARY:

House Bill 5839 would amend the Michigan Regulation and Taxation of Marihuana Act to prohibit the Cannabis Regulatory Agency¹ from denying an application for licensure solely because the spouse of an individual who holds an ownership interest in the applicant is a member of, or employed by, a state or federal regulatory body or governmental entity.

Under the bill, the Cannabis Regulatory Agency could not deny an application *solely* because an applicant's spouse is employed by such a governmental entity unless one of the following applies:

- The spouse's position creates a conflict of interest.
- The spouse's position is within the Cannabis Regulatory Agency.
- The spouse's position is within a regulatory body of a governmental unit in this state, another state, or the federal government that makes decisions regarding marijuana.

The bill also would make several editorial and technical changes that do not substantively affect the current meaning of the act, including relocating several provisions that address powers and duties of the Cannabis Regulatory Agency and the Department of State Police.

MCL 333.27957

FISCAL IMPACT:

House Bill 5839 would not have an appreciable fiscal impact on the Department of Licensing and Regulatory Affairs or any other unit of state or local government.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.

¹ The bill refers to the Marijuana Regulatory Agency, which is a defined term in the act. Effective April 1, 2022, the Marijuana Regulatory Agency was renamed the Cannabis Regulatory Agency by Executive Order 2022-1 to reflect a regulatory authority that includes hemp as well as marijuana. (Regulation of processors-handlers of hemp is the purview of the Cannabis Regulatory Agency, while regulation of industrial hemp cultivation remains the responsibility of the Michigan Department of Agriculture and Rural Development (MDARD).) As used in the act and the bill, the term "Marijuana Regulatory Agency" continues to refer to the renamed agency.