

HOUSE BILL NO. 5529

February 29, 2024, Introduced by Reps. Tyrone Carter, Scott, Byrnes, Young, McFall, Brenda Carter, Neeley, McKinney, Edwards, Wilson, Martus, Dievendorf, Rogers, Skaggs and Snyder and referred to the Committee on Regulatory Reform.

A bill to amend 2018 IL 1, entitled
"Michigan Regulation and Taxation of Marihuana Act,"
by amending section 7 (MCL 333.27957), as amended by 2023 PA 166.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 7. (1) The cannabis regulatory agency is responsible for
2 implementing this act and has the powers and duties necessary to
3 control the commercial production and distribution of marihuana.
4 The cannabis regulatory agency shall do all of the following:
5 (a) Promulgate rules ~~pursuant to~~**under** section 8 that are

1 necessary to implement, administer, and enforce this act.

2 (b) Grant or deny each application for licensure and
3 investigate each applicant to determine eligibility for licensure,
4 including conducting a background investigation on each person
5 holding an ownership interest in the applicant.

6 (c) Ensure that marihuana establishments comply with this act
7 and the rules promulgated under this act by doing all of the
8 following:

9 (i) Performing investigations of compliance and regular
10 inspections of marihuana establishments.

11 (ii) Taking appropriate disciplinary action against a licensee,
12 including prescribing civil fines for violations of this act or the
13 rules promulgated under this act and suspending, restricting, or
14 revoking a state license.

15 (d) Hold at least 4 public meetings each calendar year for the
16 purpose of hearing complaints and receiving the views of the public
17 with respect to administration of this act.

18 (e) Collect fees for licensure and fines for violations of
19 this act or the rules promulgated under this act.

20 (f) Deposit all fees collected for licensure into the
21 marihuana regulation fund established under section 14 and remit
22 all fines collected for deposit into the general fund.

23 (g) Submit an annual report to the governor covering the
24 immediately preceding year that includes all of the following:

25 (i) The number of state licenses of each class issued.

26 (ii) Demographic information of licensees.

27 (iii) A description of enforcement and disciplinary actions
28 taken against licensees.

29 (iv) A statement of revenues and expenses of the cannabis

1 regulatory agency related to the implementation, administration,
2 and enforcement of this act.

3 (h) Employ personnel as necessary to adequately perform its
4 duties.

5 (2) The cannabis regulatory agency may do ~~either~~**any** of the
6 following:

7 (a) Enter into an agreement with an advisor or consultant as
8 necessary to adequately perform its duties under this act.

9 (b) Enter into an agreement with an Indian tribe regarding
10 marihuana-related regulatory issues that involve the interests of
11 this state and the Indian tribe, including, but not limited to,
12 issues related to the commercial growing, processing, sale,
13 testing, transportation, and possession of marihuana.

14 **(c) Establish and operate a marihuana reference laboratory.**

15 **(d) Collect, transport, and possess marihuana for the purpose**
16 **of testing and conducting research in support of cannabis**
17 **regulatory agency investigations and the development and**
18 **optimization of testing methods performed through the cannabis**
19 **regulatory agency reference laboratory.**

20 (3) A person who has a pecuniary interest, directly or
21 indirectly, in a marihuana establishment or tribal marihuana
22 business may not be an employee, advisor, or consultant involved in
23 the implementation, administration, or enforcement of this act. An
24 employee, advisor, or consultant of the cannabis regulatory agency
25 is not personally liable for any action at law for damages
26 sustained by a person because of an action performed or done in the
27 performance of the employee's, advisor's, or consultant's duties in
28 the implementation, administration, or enforcement of this act.

29 (4) The department of state police shall cooperate and assist

1 the cannabis regulatory agency in performing the cannabis
2 regulatory agency's duties under this act, including, but not
3 limited to, conducting background investigations of applicants.