PUBLIC HEALTH CODE (EXCERPT)
Act 368 of 1978

ARTICLE 8
PHARMACEUTICAL-GRADE CANNABIS

PART 81
GENERAL PROVISIONS

333.8101 Meanings of words and phrases.

Sec. 8101. (1) For purposes of this article, the words and phrases defined in sections 8103 to 8107 have the meanings ascribed to them in those sections.

(2) In addition, article 1 contains general definitions and principles of construction applicable to all articles in this act.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

333.8103 Definitions; A to G.

Sec. 8103. (1) "Applicant" means the person submitting an application for a new license or license renewal under part 82 and includes each individual identified in the application as an owner, operator, officer, director, partner, member, or manager of the applicant.

(2) "CBD" and "CBD acid" mean cannabidiol and cannabidiol acid.

(3) "Department" means the department of licensing and regulatory affairs.

(4) "Director" means the director of the department.

(5) "Eligible patient" means an individual who meets the requirements of part 84 and has been issued an enhanced pharmaceutical-grade cannabis registration card.

(6) "Enhanced pharmaceutical-grade cannabis registration card" or "registration card" means the registration card issued to an eligible patient under part 84.

(7) "Good moral character" means that term as defined in section 1 of 1974 PA 381, MCL 338.41.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

333.8105 Definitions; M to P.

Sec. 8105. (1) "Marihuana" means that term as defined in section 7106 and includes pharmaceutical-grade cannabis.

(2) "Medical use" means the purchase, sale, possession, use, internal possession, delivery, transfer, or transportation of pharmaceutical-grade cannabis or paraphernalia relating to the administration of pharmaceutical-grade cannabis to treat or alleviate an eligible patient's debilitating medical condition.

(3) "Michigan medical marihuana act" means the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430.

(4) "Pharmaceutical-grade cannabis" means a grade of cannabis that is cultivated for the purposes of this article; that is free of chemical residues such as fungicides and insecticides and is tested by validated methods to determine its cannabinoid levels, specifically, THC and THC acid levels and CBD and CBD acid levels and complies with the standards set forth in section 8303(6) for its microbial, mycotoxin, and metal contents, including heavy metals; and that meets any other necessary requirements to be considered in compliance with good manufacturing practices as prescribed in rules promulgated by the department under this article.

(5) "Pharmaceutical-grade cannabis fund" or "fund" means the pharmaceutical-grade cannabis fund created in section 8113.

(6) "Pharmaceutical-grade cannabis licensed facility" or "licensed facility" means any secure entity, operation, or facility at or through which pharmaceutical-grade cannabis is manufactured, cultivated, and tested in this state for lawful medical use as provided for in this article and the Michigan medical marihuana act. Pharmaceutical-grade cannabis licensed facility does not include a qualifying patient or primary caregiver who possesses or cultivates marihuana in the manner prescribed in the Michigan medical marihuana act or an eligible patient who possesses pharmaceutical-grade cannabis in the manner prescribed in this article.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

333.8107 Definitions; Q to T.

Sec. 8107. (1) "Qualifying patient" means an individual who has been issued a registry identification card

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as a qualifying patient under the Michigan medical marihuana act.

(2) "THC" means delta-9-tetrahydrocannabinol and tetrahydrocannabinol acid.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

333.8109 Manufacturing, distributing, prescribing, or dispensing pharmaceutical-grade cannabis; license required.

Sec. 8109. (1) A person shall not manufacture, distribute, prescribe, or dispense pharmaceutical-grade cannabis without first obtaining a license to manufacture, distribute, prescribe, or dispense a controlled substance under article 7.

(2) A license issued under article 7 to manufacture, distribute, prescribe, or dispense pharmaceutical-grade cannabis and the conduct of a person licensed to manufacture, distribute, prescribe, or dispense pharmaceutical-grade cannabis under that license is subject to the additional requirements of this article.

(3) Article 7 and this article do not apply to conduct permitted under the Michigan medical marihuana act.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

333.8111 Fees.

Sec. 8111. (1) Beginning on the effective date of this article, the director may charge a reasonable fee for licensing, registration, inspection, testing, investigation, or other activity or service provided by the department under this article. The fee authorized under this subsection is in addition to any fee authorized under article 7. All fees permitted under this section shall be delivered to the state treasurer on a monthly basis for deposit in the pharmaceutical-grade cannabis fund.

(2) Before collecting a fee under this article, the department shall develop and publish a comprehensive schedule of fees. The schedule shall include a description of each activity or service and the maximum fee charged for that activity or service. The department shall include a statement of the rationale used in determining the fees contained in the schedule. The department shall revise the fee schedule from time to time so that the amount of fees collected under this article does not exceed the amount necessary to fund the duties of the department under this article.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

333.8113 Pharmaceutical-grade cannabis fund.

Sec. 8113. (1) The pharmaceutical-grade cannabis fund is created within the state treasury. In addition to the fees described in section 8111, the state treasurer may receive money or other assets from any source for deposit into the fund. The state treasurer shall direct the investment of the fund. The state treasurer shall credit to the fund interest and earnings from fund investments. Money in the fund at the close of the fiscal year shall remain in the fund and shall not lapse to the general fund.

(2) The department is the administrator of the fund for auditing purposes and the department shall expend money from the fund, upon appropriation, only for the direct and indirect costs associated with implementing, administering, and enforcing this article.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

333.8115 Rules.

Sec. 8115. (1) Subject to subsection (2), the department shall promulgate rules necessary to carry out this article. The rules shall address, but are not required to be limited to addressing, all of the following subjects:

(a) If not specifically provided for in this article, activities necessary for the compliance with or enforcement of or activities that constitute a violation of this article, including, but not limited to, procedures and grounds for denying, suspending, or revoking a license or registration card under this article.

(b) Instructions for access by local health departments and law enforcement officers.

(c) All forms necessary or convenient for the implementation, administration, and enforcement of this article.

(d) Activities that constitute or result in misrepresentation or unfair, deceptive practices.

(e) Procedures and forms for issuing enhanced pharmaceutical-grade cannabis registration cards.

(f) Regulating the manufacturing, inventory, storage, disposal, and sale of pharmaceutical-grade cannabis and specifying legitimate sources for obtaining seed to cultivate pharmaceutical-grade cannabis.

(g) The quarterly reporting by licensed facilities of their inventory, which shall include the number of

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plants under cultivation, the amount of dried plant material, the amount of destroyed plants, and all sales.

(h) Compliance with federal regulatory requirements.

(i) Health and sanitary requirements for licensed facilities.

(j) Record keeping, record retention, record storage, and record security requirements for pharmaceutical-grade cannabis licensed facilities.

(k) Audit requirements for licensed facilities, which shall include self reporting of inventory on a monthly basis, subject to inspection by designated state and federal authorities.

(*l*) Physical security requirements for pharmaceutical-grade cannabis that at a minimum include lighting and alarms.

(m) The reporting and transmittal of monthly sales and income tax payments for licensed facilities.

(n) Authorization for the department of treasury to have access to licensing information to ensure sales and income tax payments for licensed facilities.

(o) Activities that constitute lawful and unlawful financial arrangements between licensed facilities.

(p) The quantity of pharmaceutical-grade cannabis plants and dried plant material that a licensed facility may possess in its inventory at any time.

(q) Other matters necessary for the fair, impartial, stringent, and comprehensive implementation, administration, and enforcement of this article to protect the health, safety, and welfare of the residents of this state.

(2) The department of licensing and regulatory affairs may begin promulgation of the rules required under this article at the time marihuana, including pharmaceutical-grade cannabis, is rescheduled by federal authority. However, implementation and enforcement of this article shall not occur sooner than 180 days after that federal authority reschedules marihuana.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: At 368

333.8117 Pharmaceutical-grade cannabis licensed facility registry.

Sec. 8117. The department shall establish a pharmaceutical-grade cannabis licensed facility registry. The registry shall be an online database that contains information regarding the pharmaceutical-grade cannabis licensed facilities licensed under part 82. Information in the database shall be made available to the public.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

333.8119 Annual report.

Sec. 8119. By January 31 of each calendar year, the department shall submit to the legislature an annual report for the previous calendar year that contains all of the following information:

(a) The total amount of fees collected under this article.

(b) All costs related to performing the duties of the department under this article.

(c) Fines, suspensions, or license revocations that were imposed by the department under this article.

(d) Any other information the department considers appropriate under this article.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

PART 81A
PRESCRIBING AND DISPENSING PHARMACEUTICAL-GRADE CANNABIS

333.8151 Recommendation by physician.

Sec. 8151. A physician who determines that his or her patient is likely to receive therapeutic or palliative benefit from the use of pharmaceutical-grade cannabis to treat or alleviate the patient's debilitating medical condition or symptoms of the patient's debilitating medical condition may recommend the issuance of an enhanced pharmaceutical-grade cannabis registration card to that patient as an eligible patient.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

333.8152 Enhanced pharmaceutical-grade cannabis card; issuance by department; conditions; surrender of registry identification card.

Sec. 8152. (1) The department may issue an enhanced pharmaceutical-grade cannabis registration card to an eligible patient who is 18 years of age or older, who is recommended by a physician to obtain a registration card, and who properly applies for that card. The department may issue an enhanced pharmaceutical-grade

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cannabis card to an eligible patient who is less than 18 years of age, who is recommended by 2 physicians to obtain a registration card, and who properly applies for that card or if his or her parent or guardian properly applies for that card on his or her behalf. Before issuing a card to an eligible patient under this section, the department shall determine whether the individual has previously been convicted of a felony violation for illegally manufacturing, creating, distributing, possessing, or using a controlled substance or conspiring or attempting to manufacture, create, distribute, possess, or use a controlled substance in this state or elsewhere. If the individual has previously been convicted of a felony violation for illegally manufacturing, creating, distributing, possessing, or using a controlled substance or conspiring or attempting to manufacture, create, distribute, possess, or use a controlled substance in this state or elsewhere, the department shall not issue a registration card to that individual.

(2) If an individual has a registry identification card as defined in section 3 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26423, the department shall require the individual to surrender that card before issuing the individual an enhanced pharmaceutical-grade cannabis registration card under this section.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

333.8153 Entry of information into law enforcement information network.

Sec. 8153. (1) The department shall ensure that the following information for each pharmaceutical-grade cannabis registration card is entered into the law enforcement information network:

(a) The card registration number.

(b) The name and address of the individual to whom the card is issued.

(c) The date the card was issued and the expiration date.

(d) The name and address of the physician who authorized issuance of the card.

(2) Subsection (1) does not authorize the department to enter any information into the law enforcement information network regarding the diagnosis supporting issuance of the card or any medical information regarding the individual to whom the card has been issued.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

333.8154 Prescription; contents; monitoring; access to information; limitation; confidentiality; retrieval system; use of information; removal of identity; contractual agreement.

Sec. 8154. (1) Each prescription for pharmaceutical-grade cannabis shall contain all of the following information:

(a) The date the prescription is written.

(b) The date the prescription is filled.

(c) The dosage and instructions for use, which shall include the percentage of total THC and the percentage of total CBD. A prescription for pharmaceutical-grade cannabis shall not allow the individual to whom the prescription is issued to obtain more than 2.5 ounces of pharmaceutical-grade cannabis. Pharmaceutical-grade cannabis must be kept only in the original packaging or container provided by the manufacturer or by the dispensing pharmacy.

(d) The name, address, and federal drug enforcement administration number of the dispensing pharmacy and the initials of the pharmacist who fills the prescription.

(e) The name, address, and date of birth of the eligible patient for whom the pharmaceutical-grade cannabis is prescribed.

(f) The product brand name, if a brand name is specified by the prescriber.

(2) The department shall require the use of the electronic system established under section 7333a for monitoring pharmaceutical-grade cannabis dispensed under this section as a schedule 2 controlled substance.

(3) The director shall permit access to information submitted to the department under this article only to the following individuals and as provided in this article:

(a) Employees and agents of the department authorized by the director of the department.

(b) Employees of state, county, and other local law enforcement entities authorized by the administrator as defined in article 7 for the purpose of cooperating and assisting a governmental agency that is responsible for the enforcement of laws relating to controlled substances or a prescribing physician or pharmacy concerning an individual suspected of attempting to obtain a controlled substance by fraud, deceit, or misrepresentation.

(c) A person with whom the department has contracted under subsection (8).

(4) Information submitted to the department under this section is confidential, but may be released to persons authorized by the director to conduct research studies or to other persons authorized by the director.

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However, subject to subsection (5) and section 8153, information shall be released for statistical purposes only.

(5) The system for retrieval of information submitted to the department under this section shall be designed in all respects so as to preclude improper access to information.

(6) Except as otherwise provided in this part, information submitted to the department under this section shall be used only for bona fide drug-related criminal investigatory or evidentiary purposes or for investigatory or evidentiary purposes in connection with the functions of 1 or more of the licensing boards created in article 15.

(7) The identity of an individual eligible patient that is submitted to the department under this section shall be removed from the system for retrieval of the information described in this section and shall be destroyed and rendered irretrievable not later than the end of the calendar year following the year in which the information was submitted to the department. However, an individual eligible patient identity that is necessary for use in a specific ongoing investigation conducted in accordance with this act may be retained in the system until the end of the year in which the necessity for retention of the identity ends.

(8) The department may enter into contractual agreements for the administration of this section.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

PART 82
FACILITY LICENSING

333.8201 Licensing; purpose.

Sec. 8201. To protect the health, safety, and welfare of residents of this state, the department shall license facilities under this article to cultivate, manufacture, and test pharmaceutical-grade cannabis in this state. The department shall implement, administer, and enforce this article to ensure that a safe, pure, dosage-consistent grade of pharmaceutical-grade cannabis is available to eligible patients who are residents of this state.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

333.8205 Issuance of license; requirements; submission of fingerprints; criminal history check.

Sec. 8205. (1) The department shall not issue a license to an applicant to operate a pharmaceutical-grade cannabis licensed facility unless the department is satisfied that all of the following requirements are met:

(a) All fees required under this article have been paid.

(b) The applicant will operate the licensed facility in compliance with this article.

(c) The applicant is an adult of good moral character.

(d) The applicant is not delinquent in filing any tax returns with a taxing agency; paying any taxes, interest, or penalties; paying any judgments due to a government agency; repaying government-insured student loans; or paying child support.

(e) The applicant will not hire or contract with any individual in the course of operating a licensed facility without first conducting a criminal history check in the manner prescribed in rules promulgated under this article.

(f) The premises were inspected and the inspection of the premises and the operations of the applicant did not reveal any reason to deny the license.

(g) The criminal history check conducted under subsection (2) did not reveal any felony convictions or any convictions involving a controlled substance.

(h) Any other criteria established in rules promulgated under this article.

(2) At the time of filing an application for issuance or renewal of a pharmaceutical-grade cannabis licensed facility license, an applicant shall submit a set of his or her fingerprints and file personal history information concerning his or her qualifications for a license under this article. The department shall submit the fingerprints to the department of state police for the purpose of conducting a fingerprint-based criminal history check. Fingerprints shall be submitted in a form and manner prescribed by the department of state police and shall be subject to normal fingerprinting fees. The department of state police shall forward the fingerprints to the federal bureau of investigation for the purpose of conducting a fingerprint-based criminal history check. The department may acquire a name-based criminal history check for an applicant who has twice submitted to a fingerprint-based criminal history check under this part and whose fingerprints are unclassifiable. An applicant who has previously submitted fingerprints under this part may request that the fingerprints on file be used. The department shall use the information resulting from the fingerprint-based

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criminal history check to investigate and determine whether an applicant is qualified to hold a license under this article. The department may verify any of the information an applicant is required to submit. The department of state police shall retain a copy of the fingerprint images and shall notify the department in the event that a licensee under this article is arrested or convicted. The federal bureau of investigation may retain a copy of the fingerprint images to provide notification if a licensee under this article is arrested or convicted. When notified of an updated arrest or conviction, the department shall determine whether a licensee is still qualified to hold a license under this article. The department shall notify the department of state police to deactivate notification when an individual ceases to be a licensee under this article.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

333.8209 Inspections; delegation to local health department; consultation with ad hoc committee; reimbursement.

Sec. 8209. The department may delegate the duty of inspections for approval or renewal of pharmaceutical-grade cannabis licensed facility licenses to a local health department that has the technical and other capabilities to protect the public health, safety, and welfare in this field. The delegation shall not take place unless the department has first consulted with an ad hoc committee that shall be appointed by the department for the purpose of advising on that delegation. Membership on the ad hoc committee shall include representatives of the department, local public health agencies, and an association that represents the pharmaceutical-grade cannabis licensed facilities that would be subject to the inspections. If delegated under this section, the state shall reimburse each local health department the full amount of the fees collected, as reimbursement for the cost of inspection, on vouchers certified by the local health officer and approved by the department.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

333.8211 License renewal.

Sec. 8211. Not later than the thirtieth day before the expiration of an annual license under this part, a person operating a pharmaceutical-grade cannabis licensed facility seeking relicensure shall apply for license renewal and shall pay a fee as prescribed in this article. Upon compliance by an applicant for license renewal with the requirements of this article and payment of the license renewal fee, the department shall issue a renewal license.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

PART 83
PHARMACEUTICAL-GRADE CANNABIS LICENSED FACILITY OPERATIONS

333.8301 Physical location.

Sec. 8301. A pharmaceutical-grade cannabis licensed facility shall establish legal control of its physical location. The physical location shall meet all applicable state and local zoning laws.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

333.8303 Records; notification; prohibited acts; destruction of marihuana determined not pharmaceutical-grade cannabis; standards; manner of irradiation.

Sec. 8303. (1) A pharmaceutical-grade cannabis licensed facility shall maintain on the premises a record of the name, address, and date of birth of each officer, director, partner, member, manager, or employee of that licensed facility. The licensed facility shall obtain the individual's identification and have a criminal history check conducted to determine if that individual is qualified to work at or be associated with the licensed facility under this article.

(2) A pharmaceutical-grade cannabis licensed facility shall notify the department in writing within 10 days after an officer, director, partner, member, manager, or employee ceases to work at or otherwise be associated with the licensed facility.

(3) A pharmaceutical-grade cannabis licensed facility shall not acquire, possess, cultivate, deliver, transfer, transport, supply, sell, or dispense pharmaceutical-grade cannabis for any purpose except as provided in this article.

(4) A pharmaceutical-grade cannabis licensed facility shall not possess more than the amount of

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pharmaceutical-grade cannabis plants or dried pharmaceutical-grade cannabis allowed in its inventory as prescribed in rules promulgated under this article.

(5) A pharmaceutical-grade cannabis licensed facility shall destroy all marihuana that it cultivates or that is otherwise in its possession that is determined not to be pharmaceutical-grade cannabis. A licensed facility shall keep records of its activities under this subsection in order to verify its compliance to the department.

(6) Pharmaceutical-grade cannabis shall meet the following standards:

Microbiological

Microbiological Analysis	FPL Specifications
Total coliforms	<3 MPN/g
Std. plate count aerobic	<100 CFU/g
Std. plate count anaerobic	<100 CFU/g
Escherichia coli	Absent
Salmonella	Absent
Staphylococcus aureus	<100 CFU/g
Yeast and molds	<100 CFU/g

Mycotoxins

Test	Specification
Aflatoxin B1	<20 µg/kg of substance
Aflatoxin B2	<20 µg/kg of substance
Aflatoxin O1	<20 µg/kg of substance
Aflatoxin O2	<20 µg/kg of substance
Ochratoxin A	<20 µg/kg of substance

Heavy Metals

Metal	NHP Acceptable Limits µg/kg bw/day
Arsenic	<0.14
Cadmium	<0.09
Lead	<0.29
Mercury	<0.29

(7) A licensed facility shall irradiate all pharmaceutical-grade cannabis in the manner determined by the department before delivering that pharmaceutical-grade cannabis to another person.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

333.8305 Facility as profit or nonprofit entity.

Sec. 8305. A pharmaceutical-grade cannabis licensed facility may be a profit or nonprofit entity.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

333.8307 Operation.

Sec. 8307. A pharmaceutical-grade cannabis licensed facility may operate on any calendar days of the week, but shall do all of the following:

(a) Prohibit smoking or consumption of marihuana on its premises.

(b) Maintain all records required under this article on its premises.

(c) Make the licensed premises available for inspection and search by the department, by law enforcement officers, and by any other state, federal, or local governmental agency authorized by law or department rule to inspect the premises of the licensed facility under this act, during regular business hours and when the licensed premises are occupied by the licensee or a clerk, servant, agent, or employee of the licensee. Evidence of a violation of this act or rules promulgated under this act discovered under this subsection may be seized and used in an administrative or court proceeding.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

333.8309 Liability.

Sec. 8309. In addition to the provisions of section 2946 of the revised judicature act of 1961, 1961 PA 236, MCL 600.2946, in a product liability action against a pharmaceutical-grade cannabis licensed facility, pharmaceutical-grade cannabis is not defective or unreasonably dangerous, and the pharmaceutical-grade cannabis licensed facility is not liable, if the product sold was tested and determined to meet the standards for

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pharmaceutical-grade cannabis under this article.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

PART 84
SALE AND DISTRIBUTION OF PHARMACEUTICAL-GRADE CANNABIS

333.8401 Sale or distribution; requirements; report.

Sec. 8401. (1) A pharmaceutical-grade cannabis licensed facility shall not sell or otherwise distribute pharmaceutical-grade cannabis except as provided in this section.

(2) A pharmaceutical-grade cannabis licensed facility shall not sell or otherwise distribute pharmaceutical-grade cannabis directly to the public.

(3) A pharmaceutical-grade cannabis licensed facility shall sell pharmaceutical-grade cannabis only to pharmacies licensed in this state to be dispensed only to eligible patients and to other pharmaceutical-grade cannabis licensed facilities for purposes provided for under this article. Pharmaceutical-grade cannabis dispensed by a pharmacist or retail pharmacy licensed in this state shall have affixed upon each package and container in which the cannabis is contained a label showing in legible English the name and address of the manufacturer, the date the prescription is filled, the dosage, including the total percentage of THC and total percentage of CBD, the name of the patient, and the name and address of the dispensing pharmacy.

(4) A pharmaceutical-grade cannabis licensed facility may sell or otherwise distribute pharmaceutical-grade cannabis to pharmacies for sale or distribution only to eligible patients as provided in this article.

(5) A pharmaceutical-grade cannabis licensed facility shall report to the department on a quarterly basis all quantities of pharmaceutical-grade cannabis sold to licensed pharmacists, retail pharmacies, and other pharmaceutical-grade cannabis licensed facilities. The report shall be in writing and shall include the name and address of each pharmacist, retail pharmacy, and pharmaceutical-grade cannabis licensed facility to which the pharmaceutical-grade cannabis is sold. A report under this sub-section may be transmitted electronically, if the transmission is ultimately reduced to writing.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

PART 85
ENFORCEMENT

333.8501 Enforcement; inspection; finding of emergency; suspension of license; order.

Sec. 8501. (1) The department shall enforce this article and the applicable provisions of article 7 and shall conduct at least 1 inspection of each pharmaceutical-grade cannabis licensed facility during the term of its license to ensure compliance with the requirements of this article and article 7.

(2) Upon a finding that an emergency exists requiring immediate action to protect the public health, safety, and welfare, the department may issue an order to suspend the license of a pharmaceutical-grade cannabis licensed facility without notice or hearing. The order shall recite the existence of the emergency and the facts supporting a determination of the need to protect public health, safety, and welfare. Notwithstanding this act or the administrative procedures act of 1969, the order shall be effective immediately. A person to whom the order is directed shall comply immediately but, on application to the department, shall be afforded a hearing within 15 days. On the basis of the hearing, the order of summary suspension shall be continued, modified, or dissolved not later than 30 days after the hearing.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

333.8503 Suspension or revocation of facility license; oaths and subpoenas; notice; fees; summary suspension.

Sec. 8503. (1) In addition to any other penalties prescribed or remedies provided in this article, article 7, and article 15, the department may, on its own motion or on receipt of a complaint, and after an investigation and a hearing before an administrative law judge at which the pharmaceutical-grade cannabis licensed facility licensee is afforded an opportunity to be heard, suspend or revoke a facility license issued under this article. The department may suspend or revoke a license for any violation by the licensee, a board member, an agent, or an employee of the licensed facility or of any of the terms, conditions, or provisions of the license issued by the department. The department may administer oaths and issue subpoenas to require the presence of

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persons and the production of papers, books, and records necessary to the determination of any hearing that the department is authorized to conduct.

(2) The department shall provide notice of suspension or revocation, as well as any required notice of a hearing, by mailing the same in writing to the licensed facility at the address contained in the license. If a license is suspended or revoked, no part of the fees paid for the license under this article or under article 7 shall be returned to the licensee. The department may summarily suspend a license without notice pending any prosecution, investigation, or public hearing.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

333.8505 Licensing hearing; testimony; self-incrimination; use in criminal prosecution; refusal as grounds for suspension or revocation.

Sec. 8505. In any licensing hearing held by the department under this article, a person shall not refuse, upon request of the department, to testify or provide other information on the grounds of self-incrimination. Any testimony or other information produced in the hearing and any information directly or indirectly derived from the testimony or other information shall not be used against the person in any criminal prosecution based on a violation of this article except a prosecution for perjury committed while testifying. Continued refusal to testify or provide other information is grounds for the suspension or revocation of a license or registration card issued under this article.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

333.8507 Violation; penalty; other violations.

Sec. 8507. (1) The owner, operator, or agent of a pharmaceutical-grade cannabis licensed facility who knowingly violates this article or who establishes or operates a pharmaceutical-grade cannabis licensed facility in violation of this article is guilty of a crime as follows:

(a) Except as provided in subdivisions (b) and (c), the person is guilty of a misdemeanor punishable by imprisonment for not more than 90 days or a fine of not more than $10,000.00, or both.

(b) Except as provided in subdivision (c), if the person has 1 prior conviction for violating this article, the person is guilty of a misdemeanor punishable by imprisonment for not more than 180 days or a fine of not more than $50,000.00, or both.

(c) If the person has 2 or more prior convictions for violating this article, or intentionally violates this article, the person is guilty of a misdemeanor punishable by imprisonment for not more than 2 years or a fine of not more than $100,000.00, or both.

(2) Subsection (1) does not prohibit the person from being charged with, convicted of, or sentenced for any other violation of law committed by the person while violating this section.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

333.8509 Facility or individuals not subject to arrest, prosecution, or penalty.

Sec. 8509. Except as otherwise provided in this article, a pharmaceutical-grade cannabis licensed facility that has been issued a license under this article, or any owner, operator, officer, director, partner, member, manager, or employee of the licensed facility, is not subject to arrest, prosecution, or penalty in any manner, or denied any right or privilege, including, but not limited to, civil penalty or disciplinary action by a business or occupational or professional licensing board or bureau, for the cultivation, distribution, and sale of pharmaceutical-grade cannabis under this article for use by eligible patients in the manner prescribed in this article.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

Popular name: Act 368

333.8511 Local ordinances and regulations.

Sec. 8511. Except as otherwise provided in this section, a local governmental unit shall not enact or enforce an ordinance regarding pharmaceutical-grade cannabis licensed facilities. A local governmental unit may limit the number of pharmaceutical-grade cannabis licensed facilities that may operate in the local governmental unit and may enact reasonable zoning regulations applicable to pharmaceutical-grade cannabis licensed facilities based on local government zoning, health, and safety laws for the cultivation, distribution, and sale of pharmaceutical-grade cannabis.

History: Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

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