

**SUBSTITUTE FOR
HOUSE BILL NO. 5300**

A bill to amend 2016 PA 281, entitled "Medical marihuana facilities licensing act," by amending sections 102, 201, 501, 502, 503, and 505 (MCL 333.27102, 333.27201, 333.27501, 333.27502, 333.27503, and 333.27505), section 102 as amended by 2021 PA 57, sections 201, 501, and 503 as amended by 2018 PA 10, and sections 502 and 505 as amended by 2018 PA 648.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 102. As used in this act:
- 2 (a) "Advisory panel" or "panel" means the marijuana regulatory
- 3 agency.
- 4 (b) "Affiliate" means any person that controls, is controlled
- 5 by, or is under common control with; is in a partnership or joint



1 venture relationship with; or is a co-shareholder of a corporation,
2 a co-member of a limited liability company, or a co-partner in a
3 limited liability partnership with a licensee or applicant.

4 (c) "Applicant" means a person who applies for a state
5 operating license. Applicant includes, with respect to disclosures
6 in an application, for purposes of ineligibility for a license
7 under section 402, or for purposes of prior marijuana regulatory
8 agency approval of a transfer of interest under section 406, and
9 only for applications submitted on or after January 1, 2019, a
10 managerial employee of the applicant, a person holding a direct or
11 indirect ownership interest of more than 10% in the applicant, and
12 the following for each type of applicant:

13 (i) For an individual or sole proprietorship: the proprietor
14 and the proprietor's spouse.

15 (ii) For a partnership and limited liability partnership: all
16 partners and their spouses. For a limited partnership and limited
17 liability limited partnership: all general and limited partners,
18 not including a limited partner holding a direct or indirect
19 ownership interest of 10% or less and who does not exercise control
20 over or participate in the management of the partnership, and their
21 spouses. For a limited liability company: all members and managers,
22 not including a member holding a direct or indirect ownership
23 interest of 10% or less and who does not exercise control over or
24 participate in the management of the company, and their spouses.

25 (iii) For a privately held corporation: all corporate officers
26 or persons with equivalent titles and their spouses, all directors
27 and their spouses, and all stockholders, not including those
28 holding a direct or indirect ownership interest of 10% or less, and
29 their spouses.



1 (iv) For a publicly held corporation: all corporate officers or
2 persons with equivalent titles and their spouses, all directors and
3 their spouses, and all stockholders, not including those holding a
4 direct or indirect ownership interest of 10% or less, and their
5 spouses.

6 (v) For a multilevel ownership enterprise: any entity or
7 person that receives or has the right to receive more than 10% of
8 the gross or net profit from the enterprise during any full or
9 partial calendar or fiscal year.

10 (vi) For a nonprofit corporation: all individuals and entities
11 with membership or shareholder rights in accordance with the
12 articles of incorporation or the bylaws and the spouses of the
13 individuals.

14 (d) "Board" means the marijuana regulatory agency.

15 (e) "Cutting" means a section of a lead stem or root stock
16 that is used for vegetative asexual propagation.

17 (f) "Department" means the department of licensing and
18 regulatory affairs.

19 (g) "Grower" means a licensee that is a commercial entity
20 located in this state that cultivates, dries, trims, or cures and
21 packages marihuana for sale to a processor, provisioning center, or
22 another grower.

23 (h) "Industrial hemp" means that term as defined in section 3
24 of the Michigan Regulation and Taxation of Marihuana Act, 2018 IL
25 1, MCL 333.27953.

26 (i) "Industrial hemp research and development act" means the
27 industrial hemp research and development act, 2014 PA 547, MCL
28 286.841 to 286.859.

29 (j) **"Licensed specialty medical grower" means that term as**



1 defined in section 3 of the Michigan Medical Marijuana Act, MCL
2 333.26423.

3 (k) ~~(j)~~—"Licensee" means a person holding a state operating
4 license.

5 (l) ~~(k)~~—"Marihuana" means that term as defined in section 3 of
6 the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1,
7 MCL 333.27953.

8 (m) ~~(l)~~—"Marihuana facility" means a location at which a
9 licensee is licensed to operate under this act.

10 (n) ~~(m)~~—"Marihuana plant" means any plant of the species
11 *Cannabis sativa* L. Marihuana plant does not include industrial
12 hemp.

13 (o) ~~(n)~~—"Marihuana-infused product" means that term as defined
14 in section 3 of the Michigan Regulation and Taxation of Marihuana
15 Act, 2018 IL 1, MCL 333.27953.

16 (p) ~~(o)~~—"Marihuana tracking act" means the marihuana tracking
17 act, 2016 PA 282, MCL 333.27901 to 333.27904.

18 (q) ~~(p)~~—"Marijuana regulatory agency" means the marijuana
19 regulatory agency created under Executive Reorganization Order No.
20 2019-2, MCL 333.27001.

21 (r) ~~(q)~~—"Michigan medical marihuana act" means the Michigan
22 Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430.

23 (s) ~~(r)~~—"Municipality" means a city, township, or village.

24 (t) ~~(s)~~—"Paraphernalia" means any equipment, product, or
25 material of any kind that is designed for or used in growing,
26 cultivating, producing, manufacturing, compounding, converting,
27 storing, processing, preparing, transporting, injecting, smoking,
28 ingesting, inhaling, or otherwise introducing into the human body,
29 marihuana.



1 **(u)** ~~(t)~~—"Person" means an individual, corporation, limited
 2 liability company, partnership, limited partnership, limited
 3 liability partnership, limited liability limited partnership,
 4 trust, or other legal entity.

5 **(v)** ~~(u)~~—"Plant" means any living organism that produces its
 6 own food through photosynthesis and has observable root formation
 7 or is in growth material.

8 **(w)** ~~(v)~~—"Processor" means a licensee that is a commercial
 9 entity located in this state that purchases marihuana from a grower
 10 and that extracts resin from the marihuana or creates a marihuana-
 11 infused product for sale and transfer in packaged form to a
 12 provisioning center or another processor.

13 **(x)** ~~(w)~~—"Provisioning center" means a licensee that is a
 14 commercial entity located in this state that purchases marihuana
 15 from a grower or processor and sells, supplies, or provides
 16 marihuana to registered qualifying patients, directly or through
 17 the patients' registered primary caregivers. Provisioning center
 18 includes any commercial property where marihuana is sold at retail
 19 to registered qualifying patients or registered primary caregivers.
 20 A noncommercial location used by a registered primary caregiver to
 21 assist a qualifying patient connected to the caregiver through the
 22 department's marihuana registration process in accordance with the
 23 Michigan Medical Marihuana Act is not a provisioning center for
 24 purposes of this act.

25 **(y)** ~~(x)~~—"Registered primary caregiver" means a primary
 26 caregiver who has been issued a current registry identification
 27 card under the Michigan Medical Marihuana Act.

28 **(z)** ~~(y)~~—"Registered qualifying patient" means a qualifying
 29 patient who has been issued a current registry identification card



1 under the Michigan Medical Marihuana Act or a visiting qualifying
 2 patient as that term is defined in section 3 of the Michigan
 3 Medical Marihuana Act, MCL 333.26423.

4 (aa) ~~(z)~~—"Registry identification card" means that term as
 5 defined in section 3 of the Michigan Medical Marihuana Act, MCL
 6 333.26423.

7 (bb) ~~(aa)~~—"Rules" means rules promulgated under the
 8 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
 9 24.328, by the marijuana regulatory agency to implement this act.

10 (cc) ~~(bb)~~—"Safety compliance facility" means a licensee that
 11 is a commercial entity that takes marihuana from a marihuana
 12 facility or receives marihuana from a registered primary caregiver
 13 **or licensed specialty medical grower**, tests the marihuana for
 14 contaminants and for tetrahydrocannabinol and other cannabinoids,
 15 returns the test results, and may return the marihuana to the
 16 marihuana facility **or licensed specialty medical grower**.

17 (dd) ~~(ee)~~—"Secure transporter" means a licensee that is a
 18 commercial entity located in this state that stores marihuana and
 19 transports marihuana between marihuana facilities **or licensed**
 20 **specialty medical growers** for a fee.

21 (ee) ~~(dd)~~—"Seed" means the fertilized, ungerminated, matured
 22 ovule, containing an embryo or rudimentary plant, of a marihuana
 23 plant that is flowering.

24 (ff) ~~(ee)~~—"Seedling" means a marihuana plant that has
 25 germinated and has not flowered and is not harvestable.

26 (gg) ~~(ff)~~—"State operating license" or, unless the context
 27 requires a different meaning, "license" means a license that is
 28 issued under this act that allows the licensee to operate as 1 of
 29 the following, specified in the license:



1 (i) A grower.

2 (ii) A processor.

3 (iii) A secure transporter.

4 (iv) A provisioning center.

5 (v) A safety compliance facility.

6 **(hh)** ~~(gg)~~ "Statewide monitoring system" or, unless the context
 7 requires a different meaning, "system" means an internet-based,
 8 statewide database established, implemented, and maintained by the
 9 department under the marihuana tracking act, that is available to
 10 licensees, law enforcement agencies, and authorized state
 11 departments and agencies on a 24-hour basis for all of the
 12 following:

13 (i) Verifying registry identification cards.

14 (ii) Tracking marihuana transfer and transportation by
 15 licensees, including transferee, date, quantity, and price.

16 (iii) Verifying in commercially reasonable time that a transfer
 17 will not exceed the limit that the patient or caregiver is
 18 authorized to receive under section 4 of the Michigan Medical
 19 Marihuana Act, MCL 333.26424.

20 **(ii)** ~~(hh)~~ "Tissue culture" means a marihuana plant cell,
 21 cutting, tissue, or organ, that is kept under a sterile condition
 22 on a nutrient culture medium of known composition and that does not
 23 have visible root formation. A tissue culture is not a marihuana
 24 plant for purposes of a grower.

25 **(jj)** ~~(ii)~~ "Usable marihuana" means the dried leaves, flowers,
 26 plant resin, or extract of the marihuana plant, but does not
 27 include the seeds, stalks, and roots of the plant.

28 Sec. 201. (1) Except as otherwise provided in this act, if a
 29 person has been granted a state operating license and is operating



1 within the scope of the license, the licensee and its agents are
2 not subject to any of the following for engaging in activities
3 described in subsection (2):

4 (a) Criminal penalties under state law or local ordinances
5 regulating marihuana.

6 (b) State or local criminal prosecution for a marihuana-
7 related offense.

8 (c) State or local civil prosecution for a marihuana-related
9 offense.

10 (d) Search or inspection, except for an inspection authorized
11 under this act by law enforcement officers, the municipality, or
12 the department.

13 (e) Seizure of marihuana, real property, personal property, or
14 anything of value based on a marihuana-related offense.

15 (f) Any sanction, including disciplinary action or denial of a
16 right or privilege, by a business or occupational or professional
17 licensing board or bureau based on a marihuana-related offense.

18 (2) The following activities are protected under subsection
19 (1) if performed under a state operating license within the scope
20 of that license and in accord with this act, rules, and any
21 ordinance adopted under section 205:

22 (a) Growing marihuana.

23 (b) Purchasing, receiving, selling, transporting, or
24 transferring marihuana from or to a licensee, a licensee's agent, a
25 registered qualifying patient, ~~or~~ a registered primary caregiver,
26 **or a licensed specialty medical grower.**

27 (c) Possessing marihuana.

28 (d) Possessing or manufacturing marihuana paraphernalia for
29 medical use.



1 (e) Processing marihuana.

2 (f) Transporting marihuana.

3 (g) Testing, transferring, infusing, extracting, altering, or
4 studying marihuana.

5 (h) Receiving or providing compensation for products or
6 services.

7 (3) Except as otherwise provided in this act, a person who
8 owns or leases real property upon which a marihuana facility is
9 located and who has no knowledge that the licensee violated this
10 act is not subject to any of the following for owning, leasing, or
11 permitting the operation of a marihuana facility on the real
12 property:

13 (a) Criminal penalties under state law or local ordinances
14 regulating marihuana.

15 (b) State or local civil prosecution based on a marihuana-
16 related offense.

17 (c) State or local criminal prosecution based on a marihuana-
18 related offense.

19 (d) Search or inspection, except for an inspection authorized
20 under this act by law enforcement officers, the municipality, or
21 the department.

22 (e) Seizure of any real or personal property or anything of
23 value based on a marihuana-related offense.

24 (f) Any sanction, including disciplinary action or denial of a
25 right or privilege, by a business or occupational or professional
26 licensing board or bureau.

27 (4) Except as otherwise provided in this act, a certified
28 public accountant who is licensed under article 7 of the
29 occupational code, 1980 PA 299, MCL 339.720 to 339.736, is not



1 subject to any of the following for engaging in the practice of
2 public accounting as that term is defined in section 720 of the
3 occupational code, 1980 PA 299, MCL 339.720, for an applicant or
4 licensee who is in compliance with this act, rules, and the
5 Michigan medical marihuana act:

6 (a) Criminal penalties under state law or local ordinances
7 regulating marihuana.

8 (b) State or local civil prosecution based on a marihuana-
9 related offense.

10 (c) State or local criminal prosecution based on a marihuana-
11 related offense.

12 (d) Seizure of any real or personal property or anything of
13 value based on a marihuana-related offense.

14 (e) Any sanction, including disciplinary action or denial of a
15 right or privilege, by a business or occupational or professional
16 licensing board or bureau based on a marihuana-related offense.

17 (5) Except as otherwise provided in this act, a financial
18 institution is not subject to any of the following for providing a
19 financial service to a licensee under this act:

20 (a) Criminal penalties under state law or local ordinances
21 regulating marihuana.

22 (b) State or local civil prosecution based on a marihuana-
23 related offense.

24 (c) State or local criminal prosecution based on a marihuana-
25 related offense.

26 (d) Seizure of any real or personal property or anything of
27 value based on a marihuana-related offense.

28 (e) Any sanction, including disciplinary action or denial of a
29 right or privilege, by a business or occupational or professional



1 licensing board or bureau based on a marihuana-related offense.

2 (6) For the purposes of regulating the commercial entities
3 established under this act, any provisions of the following acts
4 that are inconsistent with this act do not apply to a grower,
5 processor, secure transporter, provisioning center, or safety
6 compliance facility operating in compliance with this act:

7 (a) The business corporation act, 1972 PA 284, MCL 450.1101 to
8 450.2098.

9 (b) The nonprofit corporation act, 1982 PA 162, MCL 450.2101
10 to 450.3192.

11 (c) 1931 PA 327, MCL 450.98 to 450.192.

12 (d) The Michigan revised uniform limited partnership act, 1982
13 PA 213, MCL 449.1101 to 449.2108.

14 (e) The Michigan limited liability company act, 1993 PA 23,
15 MCL 450.4101 to 450.5200.

16 (f) 1907 PA 101, MCL 445.1 to 445.5.

17 (g) 1913 PA 164, MCL 449.101 to 449.106.

18 (h) The uniform partnership act, 1917 PA 72, MCL 449.1 to
19 449.48.

20 (7) As used in this section:

21 (a) "Financial institution" means any of the following:

22 (i) A state or national bank.

23 (ii) A state or federally chartered savings and loan
24 association.

25 (iii) A state or federally chartered savings bank.

26 (iv) A state or federally chartered credit union.

27 (v) An insurance company.

28 (vi) An entity that offers any of the following to a resident
29 of this state:



1 (A) A mutual fund account.

2 (B) A securities brokerage account.

3 (C) A money market account.

4 (D) A retail investment account.

5 (vii) An entity regulated by the Securities and Exchange
6 Commission that collects funds from the public.

7 (viii) An entity that is a member of the National Association of
8 Securities Dealers and that collects funds from the public.

9 (ix) Another entity that collects funds from the public.

10 (b) "Financial service" means a deposit; withdrawal; transfer
11 between accounts; exchange of currency; loan; extension of credit;
12 purchase or sale of any stock, bond, certificate of deposit, or
13 other monetary instrument; or any other payment, transfer, or
14 delivery by, through, or to a financial institution, by whatever
15 means effected.

16 Sec. 501. (1) A grower license authorizes the grower to grow
17 not more than the following number of marihuana plants under the
18 indicated license class for each license the grower holds in that
19 class:

20 (a) Class A - 500 marihuana plants.

21 (b) Class B - 1,000 marihuana plants.

22 (c) Class C - 1,500 marihuana plants.

23 (2) Except as otherwise provided in this subsection, a grower
24 license authorizes sale of marihuana plants to a grower only by
25 means of a secure transporter. A grower license authorizes the sale
26 or transfer of seeds, seedlings, or tissue cultures to a grower
27 from a registered primary caregiver, **licensed specialty medical**
28 **grower**, or another grower without using a secure transporter.

29 (3) A grower license authorizes a grower to transfer marihuana



1 without using a secure transporter to a processor or provisioning
2 center if both of the following are met:

3 (a) The processor or provisioning center occupies the same
4 location as the grower and the marihuana is transferred using only
5 private real property without accessing public roadways.

6 (b) The grower enters each transfer into the statewide
7 monitoring system.

8 (4) A grower license authorizes sale of marihuana, other than
9 seeds, seedlings, tissue cultures, and cuttings, to a processor or
10 provisioning center.

11 (5) **A grower license authorizes the transfer of marihuana from**
12 **a licensed specialty medical grower to a grower only by means of a**
13 **secure transporter. The marijuana regulatory agency may establish a**
14 **limit on the amount of marihuana that a licensed specialty medical**
15 **grower may transfer to a grower. Marihuana obtained from a licensed**
16 **specialty medical grower and marihuana-infused products containing**
17 **marihuana obtained from a licensed specialty medical grower must**
18 **only be transferred or sold pursuant to this act and must not be**
19 **transferred or sold under the Michigan Regulation and Taxation of**
20 **Marihuana Act, 2018 IL 1, 333.27951 to 333.27967.**

21 (6) ~~(5)~~—Except as otherwise provided in subsections (2) and
22 (3) and section 505, a grower license authorizes the grower to
23 transfer marihuana only by means of a secure transporter.

24 (7) ~~(6)~~—To be eligible for a grower license, the applicant and
25 each investor in the grower must not have an interest in a secure
26 transporter or safety compliance facility.

27 (8) ~~(7)~~—Until December 31, 2018, for a period of 30 days after
28 the issuance of a grower license and in accord with rules, a grower
29 may transfer any of the following that are lawfully possessed by an



1 individual formerly registered as a primary caregiver who is an
2 active employee of the grower:

3 (a) Marihuana plants.

4 (b) Seeds.

5 (c) Seedlings.

6 **(9)** ~~(8)~~—A grower shall comply with all of the following:

7 (a) Until December 31, 2021, have, or have as an active
8 employee an individual who has, a minimum of 2 years' experience as
9 a registered primary caregiver.

10 (b) While holding a license as a grower, not be a registered
11 primary caregiver **or licensed specialty medical grower** and not
12 employ an individual who is simultaneously a registered primary
13 caregiver **or licensed specialty medical grower**.

14 (c) Enter all transactions, current inventory, and other
15 information into the statewide monitoring system as required in
16 this act, rules, and the marihuana tracking act.

17 **(10)** ~~(9)~~—A grower license does not authorize the grower to
18 operate in an area unless the area is zoned for industrial or
19 agricultural uses or is unzoned and otherwise meets the
20 requirements established in section 205(1).

21 Sec. 502. (1) A processor license authorizes purchase of
22 marihuana only from a grower and sale of marihuana-infused products
23 or marihuana only to a provisioning center or another processor.

24 (2) Except as otherwise provided in section 505 and this
25 subsection, a processor license authorizes the processor to
26 transfer marihuana only by means of a secure transporter. A
27 processor license authorizes a processor to transfer marihuana
28 without using a secure transporter to a grower or provisioning
29 center if both of the following are met:



1 (a) The grower or provisioning center occupies the same
 2 location as the processor and the marihuana is transferred using
 3 only private real property without accessing public roadways.

4 (b) The processor enters each transfer into the statewide
 5 monitoring system.

6 (3) To be eligible for a processor license, the applicant and
 7 each investor in the processor must not have an interest in a
 8 secure transporter or safety compliance facility.

9 (4) Until December 31, 2018, for a period of 30 days after the
 10 issuance of a processor license and in accord with rules, a
 11 processor may transfer any of the following that are lawfully
 12 possessed by an individual formerly registered as a primary
 13 caregiver who is an active employee of the processor:

14 (a) Marihuana plants.

15 (b) Usable marihuana.

16 (5) A processor shall comply with all of the following:

17 (a) Until December 31, 2021, have, or have as an active
 18 employee an individual who has, a minimum of 2 years' experience as
 19 a registered primary caregiver.

20 (b) While holding a license as a processor, not be a
 21 registered primary caregiver **or licensed specialty medical grower**
 22 and not employ an individual who is simultaneously a registered
 23 primary caregiver **or licensed specialty medical grower.**

24 (c) Enter all transactions, current inventory, and other
 25 information into the statewide monitoring system as required in
 26 this act, rules, and the marihuana tracking act.

27 (6) This act does not prohibit a processor from handling,
 28 processing, marketing, or brokering, as those terms are defined in
 29 section 2 of the industrial hemp research and development act, MCL



1 286.842, industrial hemp.

2 Sec. 503. (1) A secure transporter license authorizes the
3 licensee to store and transport marihuana and money associated with
4 the purchase or sale of marihuana between marihuana facilities, **or**
5 **between a licensed specialty medical grower and a grower**, for a fee
6 upon request of a person with legal custody of that marihuana or
7 money. It does not authorize transport to a registered qualifying
8 patient, ~~or~~ registered primary caregiver, **or licensed specialty**
9 **medical grower**. If a secure transporter has its primary place of
10 business in a municipality that has adopted an ordinance under
11 section 205 authorizing that marihuana facility, the secure
12 transporter may travel through any municipality.

13 (2) To be eligible for a secure transporter license, the
14 applicant and each investor with an interest in the secure
15 transporter must not have an interest in a grower, processor,
16 provisioning center, or safety compliance facility and must not be
17 a registered qualifying patient, ~~or a~~ registered primary caregiver,
18 **or licensed specialty medical grower**.

19 (3) A secure transporter shall enter all transactions, current
20 inventory, and other information into the statewide monitoring
21 system as required in this act, rules, and the marihuana tracking
22 act.

23 (4) A secure transporter shall comply with all of the
24 following:

25 (a) Each driver transporting marihuana must have a chauffeur's
26 license issued by this state.

27 (b) Each employee who has custody of marihuana or money that
28 is related to a marihuana transaction shall not have been convicted
29 of or released from incarceration for a felony under the laws of



1 this state, any other state, or the United States within the past 5
 2 years or have been convicted of a misdemeanor involving a
 3 controlled substance within the past 5 years.

4 (c) Each vehicle must be operated with a 2-person crew with at
 5 least 1 individual remaining with the vehicle at all times during
 6 the transportation of marihuana.

7 (d) A route plan and manifest must be entered into the
 8 statewide monitoring system, and a copy must be carried in the
 9 transporting vehicle and presented to a law enforcement officer
 10 upon request.

11 (e) The marihuana must be transported in 1 or more sealed
 12 containers and not be accessible while in transit.

13 (f) A secure transporting vehicle must not bear markings or
 14 other indication that it is carrying marihuana or a marihuana-
 15 infused product.

16 (5) A secure transporter is subject to administrative
 17 inspection by a law enforcement officer at any point during the
 18 transportation of marihuana to determine compliance with this act.

19 Sec. 505. (1) In addition to transfer and testing authorized
 20 in section 203, a safety compliance facility license authorizes the
 21 safety compliance facility to do all of the following without using
 22 a secure transporter:

23 (a) Take marihuana from, test marihuana for, and return
 24 marihuana to ~~only~~ a marihuana facility **or licensed specialty**
 25 **medical grower.**

26 (b) Collect a random sample of marihuana at the marihuana
 27 facility of a grower, processor, or provisioning center, **or the**
 28 **location at which a licensed specialty medical grower is authorized**
 29 **to cultivate or manufacture marihuana under the Michigan Medical**



1 **Marihuana Act**, for testing.

2 (2) A safety compliance facility must be accredited by an
3 entity approved by the board by 1 year after the date the license
4 is issued or have previously provided drug testing services to this
5 state or this state's court system and be a vendor in good standing
6 in regard to those services. The board may grant a variance from
7 this requirement upon a finding that the variance is necessary to
8 protect and preserve the public health, safety, or welfare.

9 (3) To be eligible for a safety compliance facility license,
10 the applicant and each investor with any interest in the safety
11 compliance facility must not have an interest in a grower, secure
12 transporter, processor, or provisioning center **and must not be a**
13 **licensed specialty medical grower.**

14 (4) A safety compliance facility shall comply with all of the
15 following:

16 (a) Perform tests to certify that marihuana is reasonably free
17 of chemical residues such as fungicides and insecticides.

18 (b) Use validated test methods to determine
19 tetrahydrocannabinol, tetrahydrocannabinol acid, cannabidiol, and
20 cannabidiol acid levels.

21 (c) Perform tests that determine whether marihuana complies
22 with the standards the board establishes for microbial and
23 mycotoxin contents.

24 (d) Perform other tests necessary to determine compliance with
25 any other good manufacturing practices as prescribed in rules.

26 (e) Enter all transactions, current inventory, and other
27 information into the statewide monitoring system as required in
28 this act, rules, and the marihuana tracking act.

29 (f) Have a secured laboratory space that cannot be accessed by



1 the general public.

2 (g) Retain and employ at least 1 staff member with a relevant
3 advanced degree in a medical or laboratory science.

4 (5) This act does not prohibit a safety compliance facility
5 from taking or receiving industrial hemp for testing purposes and
6 testing the industrial hemp pursuant to the industrial hemp
7 research and development act.

8 Enacting section 1. This amendatory act does not take effect
9 unless all of the following bills of the 101st Legislature are
10 enacted into law:

11 (a) House Bill No. 5301.

12 (b) House Bill No. 5302.

13 (c) House Bill No. 5319.

14 (d) House Bill No. 5321.

