

## **MEDICAL MARIHUANA LICENSEES: BACKGROUND CHECK**

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

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

**Senate Bill 433 as passed by the Senate**  
**Sponsor: Sen. Rick Jones**  
**House Committee: Law and Justice**  
**Senate Committee: Judiciary**  
**Complete to 6-19-17**

### **SUMMARY:**

Senate Bill 433 amends the Medical Marihuana Facilities Licensing Act to revise provisions relating to criminal background checks for applicants for a state operating license as a grower, processor, secure transporter, provisioning center, or safety compliance facility.

Currently, the act requires one set of fingerprints for each applicant for a state operating license to be submitted along with the application. Under the act, "applicant" includes the person applying for a state operating license, an officer, director, and managerial employee of the applicant, as well as a person who holds any direct or indirect ownership interest in the applicant. Senate Bill 433 would specify that the fingerprint sets are to be submitted to the Department of State Police (MSP).

The act also currently allows the Department of Licensing and Regulatory Affairs (LARA) to designate an entity or agent to collect the fingerprints, and assigns the costs associated with the fingerprint collection to the applicant. This provision would be deleted, and instead the bill would specify that the fingerprints would be submitted to the MSP in order for that department to conduct a criminal history check on each person and to forward each person's fingerprints to the FBI for a national criminal history check. The fingerprints could be taken by a law enforcement agency or any other person determined by the MSP to be qualified to take the prints. The applicant would be responsible to pay a processing fee to the MSP (currently \$30 plus a state fee of \$2 for administrative costs) and also any costs imposed by the FBI (currently, \$10).

MSP would be required to conduct a criminal history check on each person and request the FBI to make a determination of the existence of any national criminal history pertaining to each person. A written report containing the criminal history record information of each person must be provided to the Medical Marihuana Licensing Board by the MSP.

Further, the bill requires each applicant to include with the application, a written consent to the criminal history check and to submitting the fingerprints for inclusion in the state and federal database systems described in subsection (7) of the bill. Subsection (7) requires the MSP to do the following:

- ❖ Store and retain all fingerprints submitted under the bill in an automated fingerprint identification system database that searches against latent fingerprints and provides for an automatic notification if and when a subsequent fingerprint is submitted that matches a set previously submitted **or** if and when the criminal history of an individual whose fingerprints are retained in the system is updated. Upon receiving a notification, the MSP must immediately notify the Board.

The information in this database would be confidential, not subject to disclosure under the Freedom of Information Act (FOIA), and could not be disclosed to any person except for purposes of this act or for law enforcement purposes.

- ❖ Forward all fingerprints to the FBI for submission into the FBI automatic notification system. This provision would not apply until the MSP becomes a participant in the automatic notification system.

The bill defines "automatic notification system" as a system that stores and retains fingerprints, and that provides for an automatic notification to a participant if and when a fingerprint is submitted into the system that matches an individual whose fingerprints are retained in the system or if and when the criminal history of an individual whose fingerprints are retained in the system is updated.

"FBI automatic notification system" would be defined as the automatic notification system maintained by the FBI.

MCL 333.27402

## **FISCAL IMPACT:**

This bill would likely have no fiscal impact on the Department of State Police or local law enforcement agencies. Provisions within the bill continue to allow for the collection of application fees in order to cover the costs of fingerprint collection and the processing of state and federal background checks.

Legislative Analyst: Susan Stutzky  
Fiscal Analyst: Kent Dell

---

■ 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.