



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 4668 (Substitute S-1)
Sponsor: Representative Klint Kesto
House Committee: Regulatory Reform
Senate Committee: Regulatory Reform

Date Completed: 9-25-18

CONTENT

The bill would amend the Michigan Liquor Control Code to prohibit the use, possession, and sale of marihuana-infused beer, wine, mixed wine drink, mixed spirit drink, or spirits.

Specifically, except as provided below, a person could not use or offer for use, possess, sell, or offer for sale marihuana-infused beer, wine, mixed wine drink, mixed spirit drink, or spirits. A person that violated this provision would be guilty of a misdemeanor punishable by imprisonment and/or a fine as specified in Section 909 of the Code (described below).

This prohibition would not apply to a hospital that operates primarily for the purpose of conducting scientific research, or to any of the following conducting bona fide research:

- A State institution.
- A private college or university.
- A pharmaceutical company or biotechnology company.

"Marihuana-infused beer, wine, mixed wine drink, mixed spirit drink, or spirits" would mean beer, wine, mixed wine drink, mixed spirit drink, or spirits that contain any amount of marihuana.

"Marihuana" would mean that term as defined in Section 7106 of the Public Health Code. (That section defines "marihuana" as all parts of the plant *Cannabis sativa* L., growing or not; the seeds of the plant; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant or its seeds or resin. The term does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks, except the resin extracted from those stalks, fiber, oil, or cake, or any sterilized seed of the plant that is incapable of germination. It also does not include industrial hemp grown or cultivated, or both, for research purposes under the Industrial Hemp Research Act.)

(Section 909 of the Liquor Control Code prescribes a range of penalties for specific violations of the Code. Except as otherwise provided, a licensee that violates the Code is guilty of a misdemeanor punishable by up to six months' imprisonment and/or a maximum fine of \$500. A person, other than someone required to be licensed under the Code, who violates the Code is guilty of a misdemeanor, except as otherwise provided. Under the Revised Judicature Act,

a misdemeanor for which no penalty is specified is punishable by imprisonment for up to 90 days and/or a maximum fine of \$500.)

MCL 436.221 et al.

Legislative Analyst: Stephen Jackson

FISCAL IMPACT

The bill would have no fiscal impact on the State and could have a negative fiscal impact on local government. Any increase in misdemeanor arrests and convictions could increase resource demands on law enforcement, court systems, community supervision, and jails. Any associated increase in fine revenue would increase funding to public libraries.

Fiscal Analyst: Abbey Frazier

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.