



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 5144 (Substitute S-1 as reported)
Sponsor: Representative Klint Kesto
House Committee: Law and Justice
Senate Committee: Judiciary

CONTENT

The bill would amend the Medical Marihuana Facilities Licensing Act to do the following:

- Specify that a certified public accountant or a financial institution would not be subject to criminal, civil, or administrative sanctions for engaging in the practice of public accounting, or providing a financial service, respectively, for a licensee under the Act.
- Prohibit the Medical Marihuana Licensing Board from issuing a State operating license to an applicant unless the municipality in which the proposed marihuana facility would operate had adopted an ordinance authorizing that type of facility.
- Revise the information that a municipality adopting such an ordinance must provide to the Department of Licensing and Regulatory Affairs (LARA).
- Allow LARA to require a municipality to provide the Department with certain information about a licensee that applied for license renewal.
- Require the rules promulgated by LARA to establish monthly purchasing limits at provisioning centers for registered qualifying patients and registered primary caregivers.
- Allow a licensed grower, processor, provisioning center, or safety compliance facility to transfer marihuana without using a secured transporter under certain circumstances.
- Specify that, until December 31, 2018, for 30 days after a grower or processor license was issued, a grower or processor could transfer marihuana plants, seeds, and seedlings lawfully possessed by a formerly registered primary caregiver employed by the grower or processor.
- Require the Governor to appoint the first members of the Marihuana Advisory Panel by March 1, 2018.

MCL 333.27102 et al.

Legislative Analyst: Jeff Mann

FISCAL IMPACT

The bill would have a negligible fiscal impact on State and local government.

The bill would modify how the Department of Licensing and Regulatory Affairs will interact with municipalities that allow medical marihuana facilities. The Medical Marihuana Facilities Licensing Act established the original regulatory framework for marihuana facilities, which was funded at \$10.0 million under the current omnibus appropriations act, Public Act 107 of 2017. The bill would alter that framework, requiring the Department to create reporting forms for municipalities, and requiring municipalities to report to the Department about local ordinances and facility license applicants. It is expected that the costs associated with these duties would be absorbed by the Department and local units of government, respectively.

Date Completed: 12-13-17

Fiscal Analyst: Michael Siracuse

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Bill Analysis @ www.senate.michigan.gov/sfa

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