

SENATE BILL NO. 180

March 15, 2023, Introduced by Senators HAUCK, CHANG, IRWIN, BAYER, WOJNO, SANTANA and MCMORROW and referred to the Committee on Regulatory Affairs.

A bill to amend 2018 IL 1, entitled "Michigan Regulation and Taxation of Marihuana Act," by amending sections 3, 7, 8, 10, and 13 (MCL 333.27953, 333.27957, 333.27958, 333.27960, and 333.27963), sections 3 and 8 as amended by 2021 PA 56.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 3. As used in this act:
- 2 (a) "Cannabis regulatory agency" means the marijuana
- 3 regulatory agency created under Executive Reorganization Order No.

1 2019-2, MCL 333.27001, renamed the cannabis regulatory agency under
2 Executive Reorganization Order No. 2022-1, MCL 333.27002.

3 (b) ~~(a)~~—"Cultivate" means to propagate, breed, grow, harvest,
4 dry, cure, or separate parts of a marihuana plant by manual or
5 mechanical means.

6 (c) ~~(b)~~—"Department" means the ~~department of licensing and~~
7 ~~regulatory affairs.~~ **cannabis regulatory agency.**

8 (d) "Indian lands" means any of the following:

9 (i) All lands within the limits of an Indian reservation.

10 (ii) Any lands title to which is either held in trust by the
11 United States for the benefit of any Indian tribe or individual or
12 held by any Indian tribe or individual subject to restriction by
13 the United States against alienation and over which an Indian tribe
14 exercises governmental power.

15 (e) "Indian tribe" means any Indian tribe, band, nation, or
16 other organized group or community of Indians which is recognized
17 as eligible by the United States Secretary of the Interior for the
18 special programs and services provided by the United States to
19 Indians because of their status as Indians, and is recognized as
20 possessing powers of self-government.

21 (f) ~~(e)~~—"Industrial hemp" means any of the following:

22 (i) A plant of the genus *Cannabis*, whether growing or not, with
23 a THC concentration of 0.3% or less on a dry-weight basis.

24 (ii) A part of a plant of the genus *Cannabis*, whether growing
25 or not, with a THC concentration of 0.3% or less on a dry-weight
26 basis.

27 (iii) The seeds of a plant of the genus *Cannabis* with a THC
28 concentration of 0.3% or less on a dry-weight basis.

29 (iv) If it has a THC concentration of 0.3% or less on a dry-

1 weight basis, a compound, manufacture, derivative, mixture,
2 preparation, extract, cannabinoid, acid, salt, isomer, or salt of
3 an isomer of any of the following:

4 (A) A plant of the genus *Cannabis*.

5 (B) A part of a plant of the genus *Cannabis*.

6 (v) A product to which 1 of the following applies:

7 (A) If the product is intended for human or animal

8 consumption, the product, in the form in which it is intended for
9 sale to a consumer, meets both of the following requirements:

10 (I) Has a THC concentration of 0.3% or less on a dry-weight or
11 per volume basis.

12 (II) Contains a total amount of THC that is less than or equal
13 to the limit established by the ~~marijuana~~**cannabis** regulatory
14 agency under section 8(1)(n).

15 (B) If the product is not intended for human or animal
16 consumption, the product meets both of the following requirements:

17 (I) Contains a substance listed in subparagraph (i), (ii), (iii),
18 or (iv).

19 (II) Has a THC concentration of 0.3% or less on a dry-weight
20 basis.

21 (g) ~~(d)~~—"Licensee" means a person holding a state license.

22 (h) ~~(e)~~—"Marihuana" means any of the following:

23 (i) A plant of the genus *Cannabis*, whether growing or not.

24 (ii) A part of a plant of the genus *Cannabis*, whether growing
25 or not.

26 (iii) The seeds of a plant of the genus *Cannabis*.

27 (iv) Marihuana concentrate.

28 (v) A compound, manufacture, salt, derivative, mixture,
29 extract, acid, isomer, salt of an isomer, or preparation of any of

1 the following:

2 (A) A plant of the genus *Cannabis*.

3 (B) A part of a plant of the genus *Cannabis*.

4 (C) The seeds of a plant of the genus *Cannabis*.

5 (D) Marihuana concentrate.

6 (vi) A marihuana-infused product.

7 (vii) A product with a THC concentration of more than 0.3% on a
8 dry-weight or per volume basis in the form in which it is intended
9 for sale to a consumer.

10 (viii) A product that is intended for human or animal
11 consumption and that contains, in the form in which it is intended
12 for sale to a consumer, a total amount of THC that is greater than
13 the limit established by the ~~marijuana~~**cannabis** regulatory agency
14 under section 8(1)(n).

15 (i) ~~(f)~~—Except for marihuana concentrate extracted from any of
16 the following, "marihuana" does not include any of the following:

17 (i) The mature stalks of a plant of the genus *Cannabis*.

18 (ii) Fiber produced from the mature stalks of a plant of the
19 genus *Cannabis*.

20 (iii) Oil or cake made from the seeds of a plant of the genus
21 *Cannabis*.

22 (iv) A compound, manufacture, salt, derivative, mixture, or
23 preparation of the mature stalks of a plant of the genus *Cannabis*.

24 (v) Industrial hemp.

25 (vi) An ingredient combined with marihuana to prepare topical
26 or oral administrations, food, drink, or other products.

27 (vii) A drug for which an application filed in accordance with
28 21 USC 355 is approved by the Food and Drug Administration.

29 (j) ~~(g)~~—"Marihuana accessories" means any equipment, product,

1 material, or combination of equipment, products, or materials, that
2 is specifically designed for use in planting, propagating,
3 cultivating, growing, harvesting, manufacturing, compounding,
4 converting, producing, processing, preparing, testing, analyzing,
5 packaging, repackaging, storing, containing, ingesting, inhaling,
6 or otherwise introducing marihuana into the human body.

7 **(k)** ~~(h)~~—"Marihuana concentrate" means the resin extracted from
8 any part of a plant of the genus *Cannabis*.

9 **(l)** ~~(i)~~—"Marihuana establishment" means a marihuana grower,
10 marihuana safety compliance facility, marihuana processor,
11 marihuana microbusiness, marihuana retailer, marihuana secure
12 transporter, or any other type of marihuana-related business
13 licensed by the ~~marijuana~~ **cannabis** regulatory agency.

14 **(m)** ~~(j)~~—"Marihuana grower" means a person licensed to
15 cultivate marihuana and sell or otherwise transfer marihuana to
16 marihuana establishments.

17 **(n)** ~~(k)~~—"Marihuana-infused product" means a topical
18 formulation, tincture, beverage, edible substance, or similar
19 product containing marihuana and other ingredients and that is
20 intended for human consumption.

21 **(o)** ~~(l)~~—"Marihuana microbusiness" means a person licensed to
22 cultivate not more than 150 marihuana plants; process and package
23 marihuana; and sell or otherwise transfer marihuana to individuals
24 who are 21 years of age or older or to a marihuana safety
25 compliance facility, but not to other marihuana establishments.

26 **(p)** ~~(m)~~—"Marihuana processor" means a person licensed to
27 obtain marihuana from marihuana establishments; process and package
28 marihuana; and sell or otherwise transfer marihuana to marihuana
29 establishments.

1 **(q)** ~~(n)~~—"Marihuana retailer" means a person licensed to obtain
2 marihuana from marihuana establishments and to sell or otherwise
3 transfer marihuana to marihuana establishments and to individuals
4 who are 21 years of age or older.

5 **(r)** **"Marihuana safety compliance facility" means a person**
6 **licensed to test marihuana, including certification for potency and**
7 **the presence of contaminants.**

8 **(s)** ~~(o)~~—"Marihuana secure transporter" means a person licensed
9 to obtain marihuana from marihuana establishments in order to
10 transport marihuana to marihuana establishments.

11 ~~(p) "Marihuana safety compliance facility" means a person~~
12 ~~licensed to test marihuana, including certification for potency and~~
13 ~~the presence of contaminants.~~

14 **(t)** ~~(q)~~—"Marijuana regulatory agency", **unless the context**
15 **dictates otherwise**, means the ~~marijuana~~**cannabis** regulatory agency.
16 ~~created under Executive Reorganization Order No. 2019-2, MCL~~
17 ~~333.27001.~~

18 **(u)** ~~(r)~~—"Municipal license" means a license issued by a
19 municipality pursuant to section 16 that allows a person to operate
20 a marihuana establishment in that municipality.

21 **(v)** ~~(s)~~—"Municipality" means a city, village, or township.

22 **(w)** ~~(t)~~—"Person" means an individual, corporation, limited
23 liability company, partnership of any type, trust, or other legal
24 entity.

25 **(x)** ~~(u)~~—"Process" or "processing" means to separate or
26 otherwise prepare parts of a marihuana plant and to compound,
27 blend, extract, infuse, or otherwise make or prepare marihuana
28 concentrate or marihuana-infused products.

29 **(y)** **"Qualifying Indian tribe" means an Indian tribe that meets**

1 all of the following conditions:

2 (i) The Indian tribe has entered into an agreement with the
3 cannabis regulatory agency under section 7(2)(b) that is in effect.

4 (ii) The Indian tribe has entered into an agreement with the
5 department of treasury that is in effect and that does all of the
6 following:

7 (A) States that the revenue collected from the tax or fee
8 described in subparagraph (iii) is not state money, and requires that
9 this revenue be retained by and used as determined by only the
10 Indian tribe, if the marihuana subject to the tax or fee was grown
11 and processed on only the Indian tribe's Indian lands.

12 (B) States whether the revenue collected from the tax or fee
13 described in subparagraph (iii) from marihuana not described in sub-
14 subparagraph (A) is subject to revenue sharing between the Indian
15 tribe and this state and, if so, the details of the revenue sharing
16 arrangement.

17 (iii) The Indian tribe imposes a tax or fee on each sale or
18 transfer of marihuana from a tribal marihuana business located in
19 the Indian tribe's Indian lands to a person other than a tribal
20 marihuana business or marihuana establishment. This subparagraph
21 does not prohibit a qualifying Indian tribe from imposing the tax
22 or fee on sales or transfers of marihuana that are not described in
23 this subparagraph. The tax or fee must be based on the sales price
24 of the marihuana and the rate of the tax or fee must be equal to or
25 greater than the rate established under section 13.

26 (z) ~~(v)~~—"State license" means a license issued by the
27 ~~marijuana~~**cannabis** regulatory agency that allows a person to
28 operate a marihuana establishment.

29 (aa) ~~(w)~~—"THC" means any of the following:

1 (i) Tetrahydrocannabinolic acid.

2 (ii) Unless excluded by the ~~marijuana~~**cannabis** regulatory
3 agency under section 8(2)(c), a tetrahydrocannabinol, regardless of
4 whether it is artificially or naturally derived.

5 (iii) A tetrahydrocannabinol that is a structural, optical, or
6 geometric isomer of a tetrahydrocannabinol described in
7 subparagraph (ii).

8 **(bb) "Tribal marihuana business" means a business that meets**
9 **all of the following conditions:**

10 (i) **The business engages in the type of activities licensed**
11 **under this act.**

12 (ii) **The business is not a marihuana establishment.**

13 (iii) **The business is wholly owned by a qualifying Indian tribe,**
14 **the enrolled members of a qualifying Indian tribe, or a combination**
15 **of a qualifying Indian tribe and the members of that qualifying**
16 **Indian tribe.**

17 (iv) **The business is located in this state and in the Indian**
18 **lands of the qualifying Indian tribe described in subparagraph (iii).**

19 (v) **The business is subject to a tax or fee described in**
20 **subdivision (y) (iii).**

21 **(cc) ~~(x)~~"Unreasonably impracticable"** means that the measures
22 necessary to comply with the rules or ordinances adopted pursuant
23 to this act subject licensees to unreasonable risk or require such
24 a high investment of money, time, or any other resource or asset
25 that a reasonably prudent businessperson would not operate the
26 marihuana establishment.

27 **Sec. 7. (1) ~~1.~~The ~~department~~**cannabis regulatory agency** is**
28 **responsible for implementing this act and has the powers and duties**
29 **necessary to control the commercial production and distribution of**

1 marihuana. The ~~department~~ **cannabis regulatory agency** shall employ
 2 ~~personnel and may contract with advisors and consultants as~~
 3 ~~necessary to adequately perform its duties. No person who is~~
 4 ~~pecuniarily interested, directly or indirectly, in any marihuana~~
 5 ~~establishment may be an employee, advisor, or consultant involved~~
 6 ~~in the implementation, administration, or enforcement of this act.~~
 7 ~~An employee, advisor, or consultant of the department may not be~~
 8 ~~personally liable for any action at law for damages sustained by a~~
 9 ~~person because of an action performed or done in the performance of~~
 10 ~~their duties in the implementation, administration, or enforcement~~
 11 ~~of this act. The department of state police shall cooperate and~~
 12 ~~assist the department in conducting background investigations of~~
 13 ~~applicants. Responsibilities of the department include:~~ **do all of**
 14 **the following:**

15 (a) ~~promulgating~~ **Promulgate** rules pursuant to section 8 of
 16 ~~this act that are necessary to implement, administer, and enforce~~
 17 ~~this act. †~~

18 (b) ~~granting~~ **Grant** or ~~denying~~ **deny** each application for
 19 licensure and ~~investigating~~ **investigate** each applicant to determine
 20 eligibility for licensure, including conducting a background
 21 investigation on each person holding an ownership interest in the
 22 applicant. †

23 (c) ~~ensuring compliance~~ **Ensure that marihuana establishments**
 24 **comply** with this act and the rules promulgated ~~thereunder by~~
 25 ~~marihuana establishments under this act by performing~~ **doing all of**
 26 **the following:**

27 (i) **Performing** investigations of compliance and regular
 28 inspections of marihuana establishments. ~~and by taking~~

29 (ii) **Taking** appropriate disciplinary action against a licensee,

1 including prescribing civil fines for violations of this act or **the**
 2 rules **promulgated under this act** and suspending, restricting, or
 3 revoking a state license. †

4 (d) ~~holding~~ **Hold** at least 4 public meetings each calendar year
 5 for the purpose of hearing complaints and receiving the views of
 6 the public with respect to administration of this act. †

7 (e) ~~collecting~~ **Collect** fees for licensure and fines for
 8 violations of this act or **the** rules promulgated ~~thereunder,~~
 9 ~~depositing~~ **under this act.**

10 (f) **Deposit** all fees collected ~~in for licensure into~~ the
 11 marihuana regulation fund established ~~by under~~ section 14 ~~of this~~
 12 ~~act,~~ and ~~remitting~~ **remit** all fines collected ~~to be deposited in for~~
 13 **deposit into** the general fund. † ~~and~~

14 (g) ~~(f) submitting~~ **Submit** an annual report to the governor
 15 covering the ~~previous~~ **immediately preceding** year, ~~which report~~
 16 ~~shall include~~ **that includes all of the following:**

17 (i) **The** number of state licenses of each class issued. †
 18 ~~demographic~~

19 (ii) **Demographic** information ~~on of~~ licensees. † ~~a~~

20 (iii) **A** description of enforcement and disciplinary actions
 21 taken against licensees. † ~~and a~~

22 (iv) **A** statement of revenues and expenses of the ~~department~~
 23 **cannabis regulatory agency** related to the implementation,
 24 administration, and enforcement of this act.

25 (h) **Employ personnel as necessary to adequately perform its**
 26 **duties.**

27 (2) **The cannabis regulatory agency may do either of the**
 28 **following:**

29 (a) **Enter into an agreement with an advisor or consultant as**

1 necessary to adequately perform its duties under this act.

2 (b) Enter into an agreement with an Indian tribe regarding
3 marihuana-related regulatory issues that involve the interests of
4 this state and the Indian tribe, including, but not limited to,
5 issues related to the commercial growing, processing, sale,
6 testing, transportation, and possession of marihuana.

7 (3) A person who has a pecuniary interest, directly or
8 indirectly, in a marihuana establishment or tribal marihuana
9 business may not be an employee, advisor, or consultant involved in
10 the implementation, administration, or enforcement of this act. An
11 employee, advisor, or consultant of the cannabis regulatory agency
12 is not personally liable for any action at law for damages
13 sustained by a person because of an action performed or done in the
14 performance of the employee's, advisor's, or consultant's duties in
15 the implementation, administration, or enforcement of this act.

16 (4) The department of state police shall cooperate and assist
17 the cannabis regulatory agency in performing the cannabis
18 regulatory agency's duties under this act, including, but not
19 limited to, conducting background investigations of applicants. The
20 department of state police may recover its costs of cooperation and
21 assistance under this subsection from the cannabis regulatory
22 agency.

23 Sec. 8. (1) The ~~marijuana~~**cannabis** regulatory agency shall
24 promulgate rules to implement and administer this act that include
25 all of the following:

26 (a) Procedures for issuing a state license pursuant to section
27 9 and for renewing, suspending, and revoking a state license.

28 (b) A schedule of fees in amounts not more than necessary to
29 pay for implementation, administration, and enforcement costs of

1 this act and that relate to the size of each licensee or the volume
2 of business conducted by the licensee.

3 (c) Qualifications for licensure that are directly and
4 demonstrably related to the operation of a marihuana establishment.
5 However, a prior conviction solely for a marihuana-related offense
6 must not disqualify an individual or otherwise affect eligibility
7 for licensure, unless the offense involved distribution of a
8 controlled substance to a minor.

9 (d) Requirements and standards for safe cultivation,
10 processing, and distribution of marihuana by marihuana
11 establishments, including health standards to ensure the safe
12 preparation of marihuana-infused products and prohibitions on
13 pesticides that are not safe for use on marihuana.

14 (e) Testing, packaging, and labeling standards, procedures,
15 and requirements for marihuana, including, but not limited to, all
16 of the following:

17 (i) A maximum THC level for marihuana-infused products.

18 (ii) A requirement that a representative sample of marihuana be
19 tested by a marihuana safety compliance facility.

20 (iii) A requirement that the amount of marihuana or marihuana
21 concentrate contained within a marihuana-infused product be
22 specified on the product label.

23 (iv) A requirement that all marihuana sold through marihuana
24 retailers and marihuana microbusinesses include on the exterior of
25 the marihuana packaging the following warning printed in clearly
26 legible type and surrounded by a continuous heavy line:

27 WARNING: USE BY PREGNANT OR BREASTFEEDING WOMEN, OR BY
28 WOMEN PLANNING TO BECOME PREGNANT, MAY RESULT IN FETAL
29 INJURY, PRETERM BIRTH, LOW BIRTH WEIGHT, OR DEVELOPMENTAL

1 PROBLEMS FOR THE CHILD.

2 (f) Security requirements, including lighting, physical
3 security, and alarm requirements, and requirements for securely
4 transporting marihuana between marihuana establishments. The
5 requirements described in this subdivision must not prohibit
6 cultivation of marihuana outdoors or in greenhouses.

7 (g) Record keeping requirements for marihuana establishments
8 and monitoring requirements to track the transfer of marihuana by
9 licensees.

10 (h) Requirements for the operation of marihuana secure
11 transporters to ensure that all marihuana establishments are
12 properly serviced.

13 (i) Reasonable restrictions on advertising, marketing, and
14 display of marihuana and marihuana establishments.

15 (j) A plan to promote and encourage participation in the
16 marihuana industry by people from communities that have been
17 disproportionately impacted by marihuana prohibition and
18 enforcement and to positively impact those communities.

19 (k) Penalties for failure to comply with a rule promulgated
20 pursuant to this section or for a violation of this act by a
21 licensee, including civil fines and suspension, revocation, or
22 restriction of a state license.

23 (l) Informational pamphlet standards for marihuana retailers
24 and marihuana microbusinesses, including, but not limited to, a
25 requirement to make available to every customer at the time of sale
26 a pamphlet measuring 3.5 inches by 5 inches that includes safety
27 information related to marihuana use by minors and the poison
28 control hotline number.

29 (m) Procedures and standards for approving an appointee to

1 operate a marihuana establishment under section 9a.

2 (n) A limit on the total amount of THC that a product
3 described in section ~~3(e)(v)(A)~~ **3(f)(v)(A)** may contain.

4 (2) The ~~marijuana~~ **cannabis** regulatory agency may promulgate
5 rules to do any of the following:

6 (a) Provide for the issuance of additional types or classes of
7 state licenses to operate marihuana-related businesses, including
8 licenses that authorize any of the following:

9 (i) Limited cultivation, processing, transportation, delivery,
10 storage, sale, or purchase of marihuana.

11 (ii) Consumption of marihuana within designated areas.

12 (iii) Consumption of marihuana at special events in limited
13 areas and for a limited time.

14 (iv) Cultivation for purposes of propagation.

15 (v) Facilitation of scientific research or education.

16 (b) Regulate the cultivation, processing, distribution, and
17 sale of industrial hemp.

18 (c) Exclude from the definition of THC in section 3 a
19 tetrahydrocannabinol if, after the ~~marijuana~~ **cannabis** regulatory
20 agency makes findings with respect to each of the following
21 factors, the ~~marijuana~~ **cannabis** regulatory agency determines that
22 the tetrahydrocannabinol does not have a potential for abuse:

23 (i) The actual or relative potential for abuse of the
24 tetrahydrocannabinol.

25 (ii) The scientific evidence of the tetrahydrocannabinol's
26 pharmacological effect, if known.

27 (iii) The state of current scientific knowledge regarding the
28 tetrahydrocannabinol.

29 (iv) The history and current pattern of abuse of the

1 tetrahydrocannabinol.

2 (v) The scope, duration, and significance of abuse of the
3 tetrahydrocannabinol.

4 (vi) The tetrahydrocannabinol's risk to the public health.

5 (vii) The potential of the tetrahydrocannabinol to produce
6 psychic or physiological dependence liability.

7 (3) The ~~marijuana~~ **cannabis** regulatory agency shall not
8 promulgate a rule that **is unreasonably impracticable or that** does
9 any of the following:

10 (a) Establishes a limit on the number of any type of state
11 license that may be granted.

12 (b) Requires a customer to provide a marihuana retailer with
13 identifying information other than identification to determine the
14 customer's age or requires the marihuana retailer to acquire or
15 record personal information about customers other than information
16 typically required in a retail transaction.

17 (c) Prohibits a marihuana establishment from operating at a
18 shared location of a marihuana facility operating pursuant to the
19 medical marihuana facilities licensing act, 2016 PA 281, MCL
20 333.27101 to 333.27801, or prohibits a marihuana grower, marihuana
21 processor, or marihuana retailer from operating within a single
22 facility.

23 ~~(d) Is unreasonably impracticable.~~

24 (4) A rule promulgated under this act must be promulgated
25 pursuant to the administrative procedures act of 1969, 1969 PA 306,
26 MCL 24.201 to 24.328.

27 Sec. 10. **(1) 1.** ~~Notwithstanding any other law or provision of~~
28 ~~this act, and except as otherwise provided in section 4 of this act~~
29 ~~or the rules promulgated thereunder,~~ **under this act**, the following

1 acts are not unlawful, are not an offense, are not grounds for
2 seizing or forfeiting property, are not grounds for arrest,
3 prosecution, or penalty in any manner, are not grounds for search
4 or inspection except as authorized by this act, and are not grounds
5 to deny any other right or privilege:

6 (a) **For** a marihuana grower or an agent acting on behalf of a
7 marihuana grower who is 21 years of age or older, cultivating not
8 more than the number of marihuana plants authorized by the state
9 license class; possessing, packaging, storing, or testing
10 marihuana; acquiring marihuana seeds or seedlings from a person who
11 is 21 years of age or older; selling or otherwise transferring,
12 purchasing or otherwise obtaining, or transporting marihuana to or
13 from a marihuana establishment **or a tribal marihuana business**; or
14 receiving compensation for goods or services. †

15 (b) **For** a marihuana processor or **an** agent acting on behalf of
16 a marihuana processor who is 21 years of age or older, possessing,
17 processing, packaging, storing, or testing marihuana; selling or
18 otherwise transferring, purchasing or otherwise obtaining, or
19 transporting marihuana to or from a marihuana establishment **or a**
20 **tribal marihuana business**; or receiving compensation for goods or
21 services. †

22 (c) **For** a marihuana secure transporter or an agent acting on
23 behalf of a marihuana secure transporter who is 21 years of age or
24 older, possessing or storing marihuana; transporting marihuana to
25 or from a marihuana establishment **or a tribal marihuana business**;
26 or receiving compensation for services. †

27 (d) **For** a marihuana safety compliance facility or an agent
28 acting on behalf of a marihuana safety compliance facility who is
29 21 years of age or older, testing, possessing, repackaging, or

1 storing marihuana; transferring, obtaining, or transporting
2 marihuana to or from a marihuana establishment **or a tribal**
3 **marihuana business**; or receiving compensation for services. †

4 (e) **For** a marihuana retailer or an agent acting on behalf of a
5 marihuana retailer who is 21 years of age or older, possessing,
6 storing, or testing marihuana; selling or otherwise transferring,
7 purchasing or otherwise obtaining, or transporting marihuana to or
8 from a marihuana establishment **or a tribal marihuana business**;
9 selling or otherwise transferring marihuana to a person **who is** 21
10 years of age or older; or receiving compensation for goods or
11 services. †~~or~~

12 (f) **For** a marihuana microbusiness or an agent acting on behalf
13 of a marihuana microbusiness who is 21 years of age or older,
14 cultivating not more than 150 marihuana plants; possessing,
15 processing, packaging, storing, or testing marihuana from marihuana
16 plants cultivated on the premises; selling or otherwise
17 transferring marihuana cultivated or processed on the premises to a
18 person **who is** 21 years of age or older; or receiving compensation
19 for goods or services.

20 (g) **For a tribal marihuana business or an agent acting on**
21 **behalf of a tribal marihuana business who is 21 years of age or**
22 **older, engaging in an activity the tribal marihuana business is**
23 **authorized to engage in under an applicable agreement entered into**
24 **under section 7(2) (b) that is in effect.**

25 (h) ~~(g) leasing~~ **Leasing** or otherwise allowing the use of
26 property owned, occupied, or managed for activities allowed under
27 this act. †

28 (i) ~~(h) enrolling~~ **Enrolling** or employing a person who engages
29 in marihuana-related activities allowed under this act. †

1 (j) ~~(i) possessing,~~ **Possessing**, cultivating, processing,
2 obtaining, transferring, or transporting industrial hemp. ~~;~~ ~~or~~

3 (k) ~~(j) providing~~ **Providing** professional services to
4 prospective or licensed marihuana establishments related to
5 activity under this act.

6 (2) ~~2.~~—A person acting as an agent of a marihuana retailer who
7 sells or otherwise transfers marihuana or marihuana accessories to
8 a person ~~under~~ **who is younger than** 21 years of age is not subject
9 to arrest, prosecution, forfeiture of property, disciplinary action
10 by a professional licensing board, denial of any right or
11 privilege, or penalty in any manner, if the person reasonably
12 verified that the recipient appeared to be 21 years of age or older
13 by means of government-issued photographic identification
14 containing a date of birth, and the person complied with any rules
15 promulgated pursuant to this act.

16 (3) ~~3.~~—It is the public policy of this state that contracts
17 related to the operation of marihuana establishments **or tribal**
18 **marihuana businesses** be enforceable.

19 Sec. 13. (1) ~~1.~~ ~~In~~ **Except as otherwise provided in subsection**
20 **(4), in** addition to all other taxes, an excise tax is imposed on
21 each marihuana ~~retailer and on each marihuana microbusiness~~
22 **establishment and on each person who sells marihuana** at the rate of
23 10% of the sales price for marihuana sold or otherwise transferred
24 to ~~anyone~~ **a person** other than a marihuana establishment **or tribal**
25 **marihuana business.**

26 (2) ~~2.~~—Except as otherwise provided by a rule promulgated by
27 the department of treasury, a product subject to the tax imposed ~~by~~
28 **under** this section may not be bundled in a single transaction with
29 a product or service that is not subject to the tax imposed by this

1 section.

2 **(3) 3.**—The department of treasury shall administer the taxes
3 imposed under this act ~~and pursuant to 1941 PA 122, MCL 205.1 to~~
4 **205.31. The department of treasury** may promulgate rules pursuant to
5 the administrative procedures act of 1969, 1969 PA 306, MCL 24.201
6 to MCL 24.328, that prescribe a method and manner for payment **and**
7 **collection** of the ~~tax to ensure proper tax collection~~ **taxes imposed**
8 under this act.

9 **(4) The tax imposed under subsection (1) does not apply to any**
10 **of the following:**

11 **(a) Marihuana sold or otherwise transferred from a tribal**
12 **marihuana business.**

13 **(b) Marihuana sold or otherwise transferred under the Michigan**
14 **Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430.**

15 **(c) Marihuana sold or otherwise transferred under the medical**
16 **marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to**
17 **333.27801.**

18 Enacting section 1. This amendatory act does not take effect
19 unless Senate Bill No. 179 of the 102nd Legislature is enacted into
20 law.