

**PUBLIC HEALTH CODE (EXCERPT)**  
**Act 368 of 1978**

PART 81  
GENERAL PROVISIONS

**333.8101 Meanings of words and phrases.**

Sec. 8101. (1) For purposes of this article, the words and phrases defined in sections 8103 to 8107 have the meanings ascribed to them in those sections.

(2) In addition, article 1 contains general definitions and principles of construction applicable to all articles in this act.

**History:** Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

**Popular name:** Act 368

**333.8103 Definitions; A to G.**

Sec. 8103. (1) "Applicant" means the person submitting an application for a new license or license renewal under part 82 and includes each individual identified in the application as an owner, operator, officer, director, partner, member, or manager of the applicant.

(2) "CBD" and "CBD acid" mean cannabidiol and cannabidiol acid.

(3) "Department" means the department of licensing and regulatory affairs.

(4) "Director" means the director of the department.

(5) "Eligible patient" means an individual who meets the requirements of part 84 and has been issued an enhanced pharmaceutical-grade cannabis registration card.

(6) "Enhanced pharmaceutical-grade cannabis registration card" or "registration card" means the registration card issued to an eligible patient under part 84.

(7) "Good moral character" means that term as defined in section 1 of 1974 PA 381, MCL 338.41.

**History:** Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

**Popular name:** Act 368

**333.8105 Definitions; M to P.**

Sec. 8105. (1) "Marihuana" means that term as defined in section 7106 and includes pharmaceutical-grade cannabis.

(2) "Medical use" means the purchase, sale, possession, use, internal possession, delivery, transfer, or transportation of pharmaceutical-grade cannabis or paraphernalia relating to the administration of pharmaceutical-grade cannabis to treat or alleviate an eligible patient's debilitating medical condition.

(3) "Michigan medical marihuana act" means the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430.

(4) "Pharmaceutical-grade cannabis" means a grade of cannabis that is cultivated for the purposes of this article; that is free of chemical residues such as fungicides and insecticides and is tested by validated methods to determine its cannabinoid levels, specifically, THC and THC acid levels and CBD and CBD acid levels and complies with the standards set forth in section 8303(6) for its microbial, mycotoxin, and metal contents, including heavy metals; and that meets any other necessary requirements to be considered in compliance with good manufacturing practices as prescribed in rules promulgated by the department under this article.

(5) "Pharmaceutical-grade cannabis fund" or "fund" means the pharmaceutical-grade cannabis fund created in section 8113.

(6) "Pharmaceutical-grade cannabis licensed facility" or "licensed facility" means any secure entity, operation, or facility at or through which pharmaceutical-grade cannabis is manufactured, cultivated, and tested in this state for lawful medical use as provided for in this article and the Michigan medical marihuana act. Pharmaceutical-grade cannabis licensed facility does not include a qualifying patient or primary caregiver who possesses or cultivates marihuana in the manner prescribed in the Michigan medical marihuana act or an eligible patient who possesses pharmaceutical-grade cannabis in the manner prescribed in this article.

**History:** Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

**Popular name:** Act 368

**333.8107 Definitions; Q to T.**

Sec. 8107. (1) "Qualifying patient" means an individual who has been issued a registry identification card as a qualifying patient under the Michigan medical marihuana act.

(2) "THC" means delta-9-tetrahydrocannabinol and tetrahydrocannabinol acid.

**History:** Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

**Popular name:** Act 368

### **333.8109 Manufacturing, distributing, prescribing, or dispensing pharmaceutical-grade cannabis; license required.**

Sec. 8109. (1) A person shall not manufacture, distribute, prescribe, or dispense pharmaceutical-grade cannabis without first obtaining a license to manufacture, distribute, prescribe, or dispense a controlled substance under article 7.

(2) A license issued under article 7 to manufacture, distribute, prescribe, or dispense pharmaceutical-grade cannabis and the conduct of a person licensed to manufacture, distribute, prescribe, or dispense pharmaceutical-grade cannabis under that license is subject to the additional requirements of this article.

(3) Article 7 and this article do not apply to conduct permitted under the Michigan medical marijuana act.

**History:** Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

**Popular name:** Act 368

### **333.8111 Fees.**

Sec. 8111. (1) Beginning on the effective date of this article, the director may charge a reasonable fee for licensing, registration, inspection, testing, investigation, or other activity or service provided by the department under this article. The fee authorized under this subsection is in addition to any fee authorized under article 7. All fees permitted under this section shall be delivered to the state treasurer on a monthly basis for deposit in the pharmaceutical-grade cannabis fund.

(2) Before collecting a fee under this article, the department shall develop and publish a comprehensive schedule of fees. The schedule shall include a description of each activity or service and the maximum fee charged for that activity or service. The department shall include a statement of the rationale used in determining the fees contained in the schedule. The department shall revise the fee schedule from time to time so that the amount of fees collected under this article does not exceed the amount necessary to fund the duties of the department under this article.

**History:** Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

**Popular name:** Act 368

### **333.8113 Pharmaceutical-grade cannabis fund.**

Sec. 8113. (1) The pharmaceutical-grade cannabis fund is created within the state treasury. In addition to the fees described in section 8111, the state treasurer may receive money or other assets from any source for deposit into the fund. The state treasurer shall direct the investment of the fund. The state treasurer shall credit to the fund interest and earnings from fund investments. Money in the fund at the close of the fiscal year shall remain in the fund and shall not lapse to the general fund.

(2) The department is the administrator of the fund for auditing purposes and the department shall expend money from the fund, upon appropriation, only for the direct and indirect costs associated with implementing, administering, and enforcing this article.

**History:** Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

**Popular name:** Act 368

### **333.8115 Rules.**

Sec. 8115. (1) Subject to subsection (2), the department shall promulgate rules necessary to carry out this article. The rules shall address, but are not required to be limited to addressing, all of the following subjects:

(a) If not specifically provided for in this article, activities necessary for the compliance with or enforcement of or activities that constitute a violation of this article, including, but not limited to, procedures and grounds for denying, suspending, or revoking a license or registration card under this article.

(b) Instructions for access by local health departments and law enforcement officers.

(c) All forms necessary or convenient for the implementation, administration, and enforcement of this article.

(d) Activities that constitute or result in misrepresentation or unfair, deceptive practices.

(e) Procedures and forms for issuing enhanced pharmaceutical-grade cannabis registration cards.

(f) Regulating the manufacturing, inventory, storage, disposal, and sale of pharmaceutical-grade cannabis and specifying legitimate sources for obtaining seed to cultivate pharmaceutical-grade cannabis.

(g) The quarterly reporting by licensed facilities of their inventory, which shall include the number of plants under cultivation, the amount of dried plant material, the amount of destroyed plants, and all sales.

(h) Compliance with federal regulatory requirements.

- (i) Health and sanitary requirements for licensed facilities.
  - (j) Record keeping, record retention, record storage, and record security requirements for pharmaceutical-grade cannabis licensed facilities.
  - (k) Audit requirements for licensed facilities, which shall include self reporting of inventory on a monthly basis, subject to inspection by designated state and federal authorities.
  - (l) Physical security requirements for pharmaceutical-grade cannabis that at a minimum include lighting and alarms.
  - (m) The reporting and transmittal of monthly sales and income tax payments for licensed facilities.
  - (n) Authorization for the department of treasury to have access to licensing information to ensure sales and income tax payments for licensed facilities.
  - (o) Activities that constitute lawful and unlawful financial arrangements between licensed facilities.
  - (p) The quantity of pharmaceutical-grade cannabis plants and dried plant material that a licensed facility may possess in its inventory at any time.
  - (q) Other matters necessary for the fair, impartial, stringent, and comprehensive implementation, administration, and enforcement of this article to protect the health, safety, and welfare of the residents of this state.
- (2) The department of licensing and regulatory affairs may begin promulgation of the rules required under this article at the time marihuana, including pharmaceutical-grade cannabis, is rescheduled by federal authority. However, implementation and enforcement of this article shall not occur sooner than 180 days after that federal authority reschedules marihuana.

**History:** Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

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### **333.8117 Pharmaceutical-grade cannabis licensed facility registry.**

Sec. 8117. The department shall establish a pharmaceutical-grade cannabis licensed facility registry. The registry shall be an online database that contains information regarding the pharmaceutical-grade cannabis licensed facilities licensed under part 82. Information in the database shall be made available to the public.

**History:** Add. 2013, Act 268, Imd. Eff. Dec. 30, 2013.

**Popular name:** Act 368

### **333.8119 Annual report.**

Sec. 8119. By January 31 of each calendar year, the department shall submit to the legislature an annual report for the previous calendar year that contains all of the following information:

- (a) The total amount of fees collected under this article.
- (b) All costs related to performing the duties of the department under this article.
- (c) Fines, suspensions, or license revocations that were imposed by the department under this article.
- (d) Any other information the department considers appropriate under this article.

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