

HOUSE BILL No. 4827

August 18, 2015, Introduced by Rep. Kesto and referred to the Committee on Judiciary.

A bill to establish a system to track marihuana and marihuana products in commercial trade; to monitor compliance with laws authorizing commercial traffic in medical marihuana; to identify threats to health from particular batches of marihuana or medical marihuana; to require persons engaged in commercial trade to submit certain information for entry into the system; to provide the powers and duties of certain state departments and agencies; and to provide for sanctions.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "marihuana tracking act".

3 Sec. 2. As used in this act:

1 (a) "Department" means the department of licensing and
2 regulatory affairs.

3 (b) "Marihuana" includes all of the following that are grown,
4 processed, or sold for medical use as described in the Michigan
5 medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430, and
6 the medical marihuana facilities licensing act:

7 (i) All parts of the plant Cannabis sativa L.

8 (ii) The seeds or seedlings of Cannabis sativa L.

9 (iii) The resin extracted from any part of Cannabis sativa L.

10 (iv) Every compound, manufacture, salt, derivative, mixture,
11 or preparation of Cannabis sativa L. or its seeds or resin.

12 (c) "System" means the system for tracking marihuana
13 established under section 3.

14 Sec. 3. (1) The department shall establish, maintain, and
15 utilize, directly or by contract, a system to track marihuana that
16 is grown, processed, transferred, stored, or disposed of under the
17 medical marihuana facilities licensing act.

18 (2) The system shall have the functions and capabilities
19 described in section 4 and shall be operated in compliance with the
20 health insurance portability and accountability act of 1996, Public
21 Law 104-191.

22 Sec. 4. (1) The system shall be hosted on a platform that
23 allows all of the following:

24 (a) Dynamic allocation of resources.

25 (b) Data redundancy.

26 (c) Recovery from natural disaster within hours.

27 (2) The system shall have all of the following capabilities:

1 (a) Tracking all plants, products, packages, patient and
2 primary caregiver purchase totals, waste, transfers, conversions,
3 sales, and returns that, if practicable, are linked to unique
4 identification numbers.

5 (b) Tracking lot and batch information throughout the entire
6 chain of custody.

7 (c) Tracking all products, conversions, and derivatives
8 throughout the entire chain of custody.

9 (d) Tracking plant, batch, and product destruction.

10 (e) Tracking transportation of product.

11 (f) Performing complete batch recall tracking that clearly
12 identifies all of the following details relating to the specific
13 batch subject to the recall:

14 (i) Sold product.

15 (ii) Product inventory that is finished and available for
16 sale.

17 (iii) Product that is in the process of transfer.

18 (iv) Product being processed into another form.

19 (v) Postharvest raw product, such as product that is in the
20 drying, trimming, or curing process.

21 (g) Reporting and tracking loss, theft, or diversion of
22 product containing marijuana.

23 (h) Reporting and tracking all inventory discrepancies.

24 (i) Reporting and tracking adverse patient responses or dose-
25 related efficacy issues.

26 (j) Reporting and tracking all sales and refunds.

27 (k) Tracking patient purchase limits and flagging purchases in

1 excess of authorized limits.

2 (l) Receiving electronically submitted information required to
3 be reported under this act.

4 (m) Receiving testing results electronically from a safety
5 compliance facility via a secured application program interface
6 into the system and directly linking the testing results to each
7 applicable source batch and sample.

8 (n) Flagging test results that have characteristics indicating
9 that they may have been altered.

10 (o) Providing information to cross-check that product sales
11 are made to a qualified patient or designated primary caregiver and
12 that the product received the required testing.

13 (p) Providing the department, local law enforcement agencies,
14 and state agencies with real-time access to information in the
15 database.

16 (q) Providing real-time analytics to the department regarding
17 key performance indicators such as the following:

18 (i) Total daily sales.

19 (ii) Total plants in production.

20 (iii) Total plants destroyed.

21 (iv) Total inventory adjustments.

22 Sec. 5. (1) A person who is a licensee under the medical
23 marihuana facilities licensing act shall supply the relevant
24 tracking or testing information in the form the department requires
25 regarding each plant, product, package, batch, test, transfer,
26 conversion, sale, recall, or disposition of marihuana in or from
27 the person's possession or control. A provisioning center shall

1 include information identifying the patient to or for whom the sale
2 is made and, if applicable, the primary caregiver to whom the sale
3 was made. The department may require that the information be
4 submitted electronically.

5 (2) A person who willfully violates subsection (1) is
6 responsible for a state civil infraction and may be ordered to pay
7 a civil fine of not more than \$1,000.00.

8 (3) A person who commits a second or subsequent willful
9 violation of subsection (1) is guilty of a misdemeanor punishable
10 by imprisonment for not more than 93 days or a fine of not more
11 than \$2,500.00, or both.

12 Sec. 6. The information in the system is confidential and is
13 exempt from disclosure under the freedom of information act, 1976
14 PA 442, MCL 15.231 to 15.246. Information in the system may be
15 disclosed for purposes of enforcing the Michigan medical marihuana
16 act, 2008 IL 1, MCL 333.26421 to 333.26430, and the medical
17 marihuana facilities licensing act.

18 Enacting section 1. This act takes effect 90 days after the
19 date it is enacted into law.

20 Enacting section 2. This act does not take effect unless House
21 Bill No. 4209 of the 98th Legislature is enacted into law.