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BILL ANALYSIS

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House Bill 4295 (Substitute H-1 as passed by the House)
Sponsor: Representative Julie Alexander
House Committee: Regulatory Reform
Rules and Competitiveness
Senate Committee: Regulatory Reform

Date Completed: 9-13-21

CONTENT

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

- **Specify that a provision prohibiting individuals who have been convicted of certain felony or misdemeanor offenses from being eligible for a State operating license would not apply to those convicted of marihuana-related felonies, misdemeanors, or ordinances.**
- **Provide that a provision specifying that an applicant who holds an elective office in Michigan, another state, or the Federal government would not apply to an elected officer or employee of a Federally recognized Indian tribe or an elected precinct delegate.**
- **Specify that a provision governing the ineligibility of an applicant for a State operating license would not apply to the spouse of a person who applied for a State operating license unless the spouse's position created a conflict of interest or was within the Marijuana Regulatory Agency (MRA) or a state or Federal regulatory body making decisions regarding medical marihuana.**
- **Prohibit the MRA from evaluating an applicant's suitability for a State operating license based on whether he or she had committed marihuana-related offenses.**
- **Replace references to the Medical Marihuana Licensing Board ("Board") with references to the MRA.**

Under the Act, an individual who has been convicted of or released from incarceration for a felony under the laws of Michigan or any other state or the United States within the past 10 years or has been convicted of a controlled substance-related felony within the past 10 year is ineligible to receive a State operating license. Also, an individual who, within the past five years, has been convicted of a misdemeanor involving a controlled substance, theft, dishonesty, or fraud in any state or been found responsible for violating a local ordinance in any state involving a controlled substance, dishonesty, theft, or fraud that substantially corresponds to a misdemeanor in that state is also ineligible to receive a State operating license. Under the bill, these provisions would not apply to a marihuana-related felony, or marihuana-related misdemeanor or ordinance violation, respectively.

Under the Act, an individual who holds an elective office of a governmental unit of any state or the Federal government is ineligible to receive a State operating license. Under the bill, this provision would not apply to an elected officer or employee of a Federally recognized Indian tribe or an elected precinct delegate.

Generally, an individual who is a member of or employed by a regulatory body of a governmental unit in any state or the Federal government or is employed by a governmental unit of Michigan is ineligible to receive a State operating license. The Act specifies that this prohibition does not apply to an elected officer of or employee of a Federally recognized Indian tribe or an elected precinct delegate. The bill would amend this provision to specify that the prohibition also would not apply to the spouse of a person who applies for a State operating license unless his or her would create a conflict of interest or the spouse was within the MRA or a regulatory body of a governmental unit of any state or the Federal government that make decisions regarding medical marihuana.

The Act allows the MRA to consider, among other things, whether the applicant has been indicted for, charged with, arrested for, or convicted of, pled guilty or no contest to, forfeited bail concerning, or had expunged any relevant criminal offense under the laws of any jurisdiction, not including traffic violations, when determining whether to grant a state operating license to an individual, regardless of whether the offense has been expunged, pardoned, or reversed on appeal or otherwise. The bill would amend the provision also to prohibit the MRA from considering marihuana-related offenses when determining whether to grant a State operating license.

MCL 333.27402

Legislative Analyst: Christian Schmidt

FISCAL IMPACT

the bill would have no fiscal impact on State or local government.

Fiscal Analyst: Elizabeth Raczkowski

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