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House Bill 5706 (Substitute H-5 as discharged)
House Bill 6060 (Substitute H-1 as discharged)
Sponsor: Representative Roger Hauck (H.B. 5706)
Representative Yousef Rabhi (H.B. 6060)
House Committee: Regulatory Reform
Senate Committee: Regulatory Reform (discharged)

CONTENT

House Bill 5706 (H-5) would amend the Michigan Regulation and Taxation of Marihuana Act to do the following:

- Allow the Cannabis Regulatory Agency (CRA) to enter into an agreement with an Indian tribe regarding marihuana-related regulatory issues that involved the interests of the State and the Indian tribe, including issues relating to the commercial growing, processing, sale, testing, transportation, and possession of marihuana.
- Allow the CRA to enter into an agreement with an advisor or consultant as necessary to adequately perform its duties under the Act.
- Prohibit a person who had a pecuniary interest, directly or indirectly, in a marihuana establishment or tribal marihuana business from being an employee, advisor, or consultant involved in the implantation, administration, or enforcement of the Act.
- Require the Department of State Police (MSP) to cooperate and assist the CRA in performing the CRA's duties, including conducting background investigations of applicants.
- Specify that certain actions taken by a tribal marijuana business would not be unlawful, would not be an offense, would not be grounds for seizing or forfeiting property, would not be grounds for search or inspection, and would not be grounds to deny any other right or privilege, including, for a tribal marihuana business or an agent acting on behalf of a tribal marihuana business who was 21 years of age or older, engaging in an activity that the tribal marihuana business was authorized to engage in under an applicable agreement entered into with an advisor or consultant or an Indian tribe.
- Specify that it would be the public policy of the State that contracts related to the operation of tribal marihuana businesses be enforceable.
- Prohibit the excise tax from applying to marihuana sold or otherwise transferred from a tribal marijuana business, marihuana sold or transferred under the Michigan Medical Marihuana Act, and marihuana sold or transferred under the Medical Marihuana Facilities Licensing Act.

House Bill 6060 (H-1) would amend the Michigan Regulation and Taxation of Marihuana Act to do the following:

- Specify if a marihuana retailer or marihuana microbusiness were located on Indian lands, the portions of the unspent balances attributable to the marihuana retailer or marihuana microbusiness that otherwise would have been allocated to a municipality and a county would have to be allocated to the Indian tribe in whose Indian lands the marihuana retailer or marihuana microbusiness was located.
- Require all money collected by the Department of Treasury in accordance with an agreement entered into with an Indian tribe under the Act to be deposited into the Marihuana Regulation Fund.

The bills are tie-barred.

MCL 333.27953 et al. (H.B. 5706)
333.27964 (H.B. 6060)

Legislative Analyst: Eleni Lionas

FISCAL IMPACT

House Bill 5706 (H-5) would have no fiscal impact on State or local government.

House Bill 6060 (H-1) would have no impact on the excise tax revenue collected by the State and no fiscal impact on any State department or agency. It would, however, have a negative fiscal impact on counties and local governments that otherwise would have received a combined 30% of the excise tax revenue collected from marijuana retail stores and microbusinesses located on tribal land. To the extent the bill would have a negative fiscal impact on counties and local units of government, it would have an equally positive fiscal impact on the tribes on whose lands the marijuana retail stores and microbusinesses are located.

Date Completed: 12-7-22

Fiscal Analyst: Jonah Houtz

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.