

# SENATE BILL NO. 179

March 15, 2023, Introduced by Senators IRWIN, HAUCK, MOSS, 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 section 14 (MCL 333.27964).

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 14. **(1)** ~~1.~~—The marihuana regulation fund is created in  
2 the state treasury. The department of treasury shall deposit **into**  
3 **the fund** all money collected under section 13 **and all money**  
4 **collected by the department of treasury in accordance with an**  
5 **agreement described in section 3(y)(ii),** ~~of this act~~ and the  
6 ~~department~~ **cannabis regulatory agency** shall deposit **into the fund**

1 all fees collected ~~in the fund.~~ **under this act.** The state treasurer  
 2 shall direct the investment of the fund and shall credit **to** the  
 3 fund interest and earnings from fund investments. The ~~department~~  
 4 **cannabis regulatory agency** shall administer the fund for auditing  
 5 purposes. Money in the fund ~~shall~~ **at the close of the fiscal year**  
 6 **must remain in the fund and must** not lapse to the general fund.

7 (2) ~~2.~~ Funds for the initial activities of the ~~department~~  
 8 **cannabis regulatory agency** to implement this act shall be  
 9 appropriated from the general fund. The ~~department~~ **cannabis**  
 10 **regulatory agency** shall repay any amount appropriated under this  
 11 subsection from proceeds in the fund.

12 (3) ~~3.~~ The ~~department~~ **cannabis regulatory agency** shall expend  
 13 money in the fund ~~first for~~ **as follows:**

14 (a) **For** the implementation, administration, and enforcement of  
 15 this act. ~~, and second, until~~

16 (b) **Until** 2022 or for at least ~~two~~ **2** years, ~~to provide \$20~~  
 17 ~~million annually to one~~ **whichever is later, for 1** or more  
 18 **development and research projects, including** clinical trials, that  
 19 are approved by the United States ~~food~~ **Food** and ~~drug administration~~  
 20 **Drug Administration** and sponsored by a ~~non-profit~~ **nonprofit**  
 21 organization or researcher within an academic institution  
 22 researching the efficacy of marihuana in treating the medical  
 23 conditions **and preventing the suicide** of United States ~~armed~~  
 24 ~~services~~ **Armed Services** veterans. ~~and preventing veteran suicide.~~  
 25 **The cannabis regulatory agency shall expend \$20,000,000.00 per year**  
 26 **under this subdivision.**

27 (4) Upon appropriation, **the** unexpended balances **in the fund**  
 28 must be allocated as follows:

29 (a) **Subject to subsection (5),** 15% to municipalities in which

1 a marihuana ~~retail store~~**retailer** or a marihuana microbusiness is  
 2 located, allocated in proportion to the number of marihuana ~~retail~~  
 3 ~~stores~~**retailers** and marihuana microbusinesses within ~~the~~**each**  
 4 municipality. †

5 (b) **Subject to subsection (5)**, 15% to counties in which a  
 6 marihuana ~~retail store~~**retailer** or a marihuana microbusiness is  
 7 located, allocated in proportion to the number of marihuana ~~retail~~  
 8 ~~stores~~**retailers** and marihuana microbusinesses within ~~the~~**each**  
 9 county. †

10 (c) 35% to the school aid fund to be used for K-12 education.  
 11 †and

12 (d) 35% to the Michigan transportation fund to be used for the  
 13 repair and maintenance of roads and bridges.

14 (5) **If a marihuana retailer or marihuana microbusiness is**  
 15 **located in Indian lands, the portions of the unexpended balances**  
 16 **attributable to the marihuana retailer or marihuana microbusiness**  
 17 **that would have otherwise been allocated to a municipality under**  
 18 **subsection (4) (a) and a county under subsection (4) (b) must instead**  
 19 **be allocated to the Indian tribe in whose Indian lands the**  
 20 **marihuana retailer or marihuana microbusiness is located.**

21 Enacting section 1. This amendatory act does not take effect  
 22 unless Senate Bill No. 180 of the 102nd Legislature is enacted into  
 23 law.