

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.