

Act No. 165
Public Acts of 2023
Approved by the Governor
October 19, 2023
Filed with the Secretary of State
October 19, 2023
EFFECTIVE DATE: October 19, 2023

**STATE OF MICHIGAN
102ND LEGISLATURE
REGULAR SESSION OF 2023**

Introduced by Senators Irwin, Hauck, Moss, Bayer, Wojno, Santana and McMorrow

ENROLLED SENATE BILL No. 179

AN ACT to amend 2018 IL 1, entitled “An initiation of legislation to allow under state law the personal possession and use of marihuana by persons 21 years of age or older; to provide for the lawful cultivation and sale of marihuana and industrial hemp by persons 21 years of age or older; to permit the taxation of revenue derived from commercial marihuana facilities; to permit the promulgation of administrative rules; and to prescribe certain penalties for violations of this act. If not enacted by the Michigan State Legislature in accordance with the Michigan Constitution of 1963, the proposed legislation is to be voted on at the General Election, November 6, 2018,” by amending section 14 (MCL 333.27964).

The People of the State of Michigan enact:

Sec. 14. (1) The marihuana regulation fund is created in the state treasury. The department of treasury shall deposit into the fund all money collected under section 13 and all money collected by the department of treasury in accordance with an agreement described in section 3(y)(ii), and the cannabis regulatory agency shall deposit into the fund all fees collected under this act. The state treasurer shall direct the investment of the fund and shall credit to the fund interest and earnings from fund investments. The cannabis regulatory agency shall administer the fund for auditing purposes. Money in the fund at the close of the fiscal year must remain in the fund and must not lapse to the general fund.

(2) Funds for the initial activities of the cannabis regulatory agency to implement this act shall be appropriated from the general fund. The cannabis regulatory agency shall repay any amount appropriated under this subsection from proceeds in the fund.

(3) The cannabis regulatory agency shall expend money in the fund as follows:

(a) For the implementation, administration, and enforcement of this act.

(b) Until 2022 or for at least 2 years, whichever is later, for 1 or more development and research projects, including clinical trials, that are approved by the United States Food and Drug Administration and sponsored by a nonprofit organization or researcher within an academic institution researching the efficacy of marihuana in treating the medical conditions and preventing the suicide of United States Armed Services veterans. The cannabis regulatory agency shall expend \$20,000,000.00 per year under this subdivision.

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

(a) Subject to subsection (5), 15% to municipalities in which a marihuana retailer or marihuana microbusiness is located, allocated in proportion to the number of marihuana retailers and marihuana microbusinesses within each municipality.

(b) Subject to subsection (5), 15% to counties in which a marihuana retailer or marihuana microbusiness is located, allocated in proportion to the number of marihuana retailers and marihuana microbusinesses within each county.

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

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

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

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

This act is ordered to take immediate effect.



Secretary of the Senate



Clerk of the House of Representatives

Approved _____

Governor