

# Legislative Analysis



## SUMMARY SUSPENSIONS AND DISCIPLINARY AUTHORITY RELATED TO ADULT-USE MARIJUANA LICENSES

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<http://www.house.mi.gov/hfa>

**House Bill 5106 as introduced**  
**Sponsor: Rep. Jerry Neyer**  
**Committee: Regulatory Reform**  
**Complete to 10-22-25**

Analysis available at  
<http://www.legislature.mi.gov>

### SUMMARY:

House Bill 5106 would amend the Michigan Regulation and Taxation of Marihuana Act, which regulates adult-use marijuana,<sup>1</sup> to do both of the following, as further described below:

- Allow the Cannabis Regulatory Agency (CRA) to summarily suspend a license if the licensee's conduct poses a risk to the public health, safety, or welfare.
- Provide that the CRA has authority to take disciplinary action against a person whose license has expired or who is no longer a licensee.

#### Summary suspension

Under the bill, the CRA could summarily suspend a state license issued under the act if it determines that emergency action is required because the licensee has engaged in conduct that poses a risk to the public health, safety, or welfare, including any of the following:

- Possessing marijuana whose source cannot be determined.
- Possessing marijuana obtained in violation of the act (as determined by the CRA).
- Obstructing a CRA investigation.
- Failing to provide the CRA with records required to be provided under the act or its rules.

The summary suspension would have to be in accordance with section 92 of the Administrative Procedures Act.<sup>2</sup>

#### Disciplinary authority

The bill also would provide that the expiration of a person's state license, or the mere fact that a person is no longer a licensee or no longer operates a marijuana establishment, does not terminate the CRA's authority to take disciplinary action against the person.

MCL 333.27957

### BACKGROUND:

The following marijuana establishments are licensed under the Michigan Regulation and Taxation of Marihuana Act:

- Marijuana grower.
- Marijuana processor.
- Marijuana retailer.

<sup>1</sup> Note that, in Michigan law, marijuana is spelled *marihuana*.

<sup>2</sup> <https://www.legislature.mi.gov/Laws/MCL?objectName=MCL-24-292>

- Marijuana microbusiness (licensed to cultivate up to 150 marijuana plants, process and package marijuana, and sell or transfer marijuana to adults over 21 or to a marijuana safety compliance facility but not to other marijuana establishments).
- Marijuana safety compliance facility (licensed to test marijuana and certify it as to potency and the presence of contaminants).
- Marijuana secure transporter (licensed to transport marijuana among entities described above).

#### **FISCAL IMPACT:**

House Bill 5106 would have minimal to no fiscal impact on the Cannabis Regulatory Agency, housed within the Department of Licensing and Regulatory Affairs. The bill would allow the CRA to take disciplinary action against individuals whose adult-use marijuana licenses have expired or are otherwise no longer active. The CRA has indicated that such cases would likely be rare, and the bill would likely not have a fiscal impact.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.