Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 598 (as introduced 10-2-25)
Sponsor: Senator Jeremy Moss
Committee: Regulatory Affairs

Date Completed: 10-13-25

CONTENT

The bill would amend the Medical Marihuana Facilities Licensing Act to prohibit the Cannabis Regulatory Agency (CRA) from issuing a provisioning center license if doing so would result in more than one provisioning center for every 5,000 residents in the applicant's municipality, beginning on January 1, 2026.

Except as otherwise provided below, beginning on January 1, 2026, the bill would prohibit the CRA from issuing a provisioning center license if doing so would result in more than one provisioning center for every 5,000 residents within the municipality where the proposed provisioning center would be located.

The prohibition would not apply to any of the following:

-- The renewal of a provisioning center license under Section 402(9).[1]
-- A provisioning center license transferred to another person in accordance with the Act, regardless of whether the other person was required to submit an application to obtain the provisioning center license or was issued a new provisioning center license as a result of the transfer.
-- An applicant that received an exemption as described below.

Finally, if an applicant's proposed location of a provisioning center was within a resort district, the applicant could apply for an exemption.[2] The CRA would have to create an application and application process for this exemption and could approve an exemption at its discretion.

MCL 333.27102 et al. Legislative Analyst: Nathan Leaman

FISCAL IMPACT

The bill would potentially reduce revenue for local governmental units. It would create regional monopolies or oligopolies preventing new businesses from entering the medical marijuana market. This would have the greatest impact on smaller cities and villages. For cities and villages limited by the bill, revenue to the city or village, county, and sheriff's department would be reduced. Fiscal year 2023-24 total distributions were around $1.2 million.

Fiscal Analyst: Bobby Canell

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[1] Under Section 402(9), a license is for a one-year period and is renewed annually. Generally, the CRA must renew a license if the licensee applies to the CRA on the proper renewal form, if the application is received by the CRA on or before the expiration date of the current license, if the licensee pays a regulatory assessment, and the licensee meets the requirements and rules of the Act.

[2] Generally, a resort district is an area that encompasses a natural geographic feature used for recreation, such as an inland lake or the Great Lakes shoreline, and is overseen by a district authority.

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