

HOUSE BILL NO. 5134

October 23, 2025, Introduced by Reps. Bruck, McKinney, St. Germaine, Pavlov, Fox, Schriver and Bierlein and referred to Committee on Regulatory Reform.

A bill to amend 2018 IL 1, entitled
"Michigan Regulation and Taxation of Marihuana Act,"
by amending sections 3, 8, and 11 (MCL 333.27953, 333.27958, and
333.27961), sections 3 and 8 as amended by 2023 PA 166.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 3. As used in this act:
- 2 **(a) "Billboard" means that term as defined in section 2 of the**
3 **highway advertising act of 1972, 1972 PA 106, MCL 252.302.**
- 4 **(b) ~~(a)~~**"Cannabis regulatory agency" means the marijuana
5 regulatory agency created under Executive Reorganization Order No.

2019-2, MCL 333.27001, renamed the cannabis regulatory agency under Executive Reorganization Order No. 2022-1, MCL 333.27002.

(c) ~~(b)~~—"Cultivate" means to propagate, breed, grow, harvest, dry, cure, or separate parts of a marihuana plant by manual or mechanical means.

(d) ~~(e)~~—"Department" means the cannabis regulatory agency.

(e) **"Digital billboard" means that term as defined in section 2 of the highway advertising act of 1972, 1972 PA 106, MCL 252.302.**

(f) ~~(d)~~—"Indian lands" means any of the following:

(i) All lands within the limits of an Indian reservation.

(ii) Any lands title to which is either held in trust by the United States for the benefit of any Indian tribe or individual or held by any Indian tribe or individual subject to restriction by the United States against alienation and over which an Indian tribe exercises governmental power.

(g) ~~(e)~~—"Indian tribe" means any Indian tribe, band, nation, or other organized group or community of Indians which is recognized as eligible by the United States Secretary of the Interior for the special programs and services provided by the United States to Indians because of their status as Indians, and is recognized as possessing powers of self-government.

(h) ~~(f)~~—"Industrial hemp" means any of the following:

(i) A plant of the genus *Cannabis*, whether growing or not, with a THC concentration of 0.3% or less on a dry-weight basis.

(ii) A part of a plant of the genus *Cannabis*, whether growing or not, with a THC concentration of 0.3% or less on a dry-weight basis.

(iii) The seeds of a plant of the genus *Cannabis* with a THC concentration of 0.3% or less on a dry-weight basis.

(iv) If it has a THC concentration of 0.3% or less on a dry-weight basis, a compound, manufacture, derivative, mixture, preparation, extract, cannabinoid, acid, salt, isomer, or salt of an isomer of any of the following:

(A) A plant of the genus *Cannabis*.

(B) A part of a plant of the genus *Cannabis*.

(v) A product to which 1 of the following applies:

(A) If the product is intended for human or animal consumption, the product, in the form in which it is intended for sale to a consumer, meets both of the following requirements:

(I) Has a THC concentration of 0.3% or less on a dry-weight or per volume basis.

(II) Contains a total amount of THC that is less than or equal to the limit established by the cannabis regulatory agency under section 8(1)(n).

(B) If the product is not intended for human or animal consumption, the product meets both of the following requirements:

(I) Contains a substance listed in subparagraph (i), (ii), (iii), or (iv).

(II) Has a THC concentration of 0.3% or less on a dry-weight basis.

(i) ~~(g)~~ "Licensee" means a person holding a state license.

(j) ~~(h)~~ "Marihuana" means any of the following:

(i) A plant of the genus *Cannabis*, whether growing or not.

(ii) A part of a plant of the genus *Cannabis*, whether growing or not.

(iii) The seeds of a plant of the genus *Cannabis*.

(iv) Marihuana concentrate.

(v) A compound, manufacture, salt, derivative, mixture,

1 extract, acid, isomer, salt of an isomer, or preparation of any of
2 the following:

3 (A) A plant of the genus *Cannabis*.

4 (B) A part of a plant of the genus *Cannabis*.

5 (C) The seeds of a plant of the genus *Cannabis*.

6 (D) Marihuana concentrate.

7 (vi) A marihuana-infused product.

8 (vii) A product with a THC concentration of more than 0.3% on a
9 dry-weight or per volume basis in the form in which it is intended
10 for sale to a consumer.

11 (viii) A product that is intended for human or animal
12 consumption and that contains, in the form in which it is intended
13 for sale to a consumer, a total amount of THC that is greater than
14 the limit established by the cannabis regulatory agency under
15 section 8(1)(n).

16 (k) ~~(i)~~—Except for marihuana concentrate extracted from any of
17 the following, "marihuana" does not include any of the following:

18 (i) The mature stalks of a plant of the genus *Cannabis*.

19 (ii) Fiber produced from the mature stalks of a plant of the
20 genus *Cannabis*.

21 (iii) Oil or cake made from the seeds of a plant of the genus
22 *Cannabis*.

23 (iv) A compound, manufacture, salt, derivative, mixture, or
24 preparation of the mature stalks of a plant of the genus *Cannabis*.

25 (v) Industrial hemp.

26 (vi) An ingredient combined with marihuana to prepare topical
27 or oral administrations, food, drink, or other products.

28 (vii) A drug for which an application filed in accordance with
29 21 USC 355 is approved by the Food and Drug Administration.

1 **(l)** ~~(j)~~—"Marihuana accessories" means any equipment, product,
2 material, or combination of equipment, products, or materials, that
3 is specifically designed for use in planting, propagating,
4 cultivating, growing, harvesting, manufacturing, compounding,
5 converting, producing, processing, preparing, testing, analyzing,
6 packaging, repackaging, storing, containing, ingesting, inhaling,
7 or otherwise introducing marihuana into the human body.

8 **(m)** ~~(k)~~—"Marihuana concentrate" means the resin extracted from
9 any part of a plant of the genus *Cannabis*.

10 **(n)** ~~(l)~~—"Marihuana establishment" means a marihuana grower,
11 marihuana safety compliance facility, marihuana processor,
12 marihuana microbusiness, marihuana retailer, marihuana secure
13 transporter, or any other type of marihuana-related business
14 licensed by the cannabis regulatory agency.

15 **(o)** ~~(m)~~—"Marihuana grower" means a person licensed to
16 cultivate marihuana and sell or otherwise transfer marihuana to
17 marihuana establishments.

18 **(p)** ~~(n)~~—"Marihuana-infused product" means a topical
19 formulation, tincture, beverage, edible substance, or similar
20 product containing marihuana and other ingredients and that is
21 intended for human consumption.

22 **(q)** ~~(o)~~—"Marihuana microbusiness" means a person licensed to
23 cultivate not more than 150 marihuana plants; process and package
24 marihuana; and sell or otherwise transfer marihuana to individuals
25 who are 21 years of age or older or to a marihuana safety
26 compliance facility, but not to other marihuana establishments.

27 **(r)** ~~(p)~~—"Marihuana processor" means a person licensed to
28 obtain marihuana from marihuana establishments; process and package
29 marihuana; and sell or otherwise transfer marihuana to marihuana

1 establishments.

2 **(s)** ~~(q)~~ "Marihuana retailer" means a person licensed to obtain
3 marihuana from marihuana establishments and to sell or otherwise
4 transfer marihuana to marihuana establishments and to individuals
5 who are 21 years of age or older.

6 **(t)** ~~(r)~~ "Marihuana safety compliance facility" means a person
7 licensed to test marihuana, including certification for potency and
8 the presence of contaminants.

9 **(u)** ~~(s)~~ "Marihuana secure transporter" means a person licensed
10 to obtain marihuana from marihuana establishments in order to
11 transport marihuana to marihuana establishments.

12 **(v)** ~~(t)~~ "Marijuana regulatory agency", unless the context
13 dictates otherwise, means the cannabis regulatory agency.

14 **(w)** ~~(u)~~ "Municipal license" means a license issued by a
15 municipality pursuant to section 16 that allows a person to operate
16 a marihuana establishment in that municipality.

17 **(x)** ~~(v)~~ "Municipality" means a city, village, or township.

18 **(y)** ~~(w)~~ "Person" means an individual, corporation, limited
19 liability company, partnership of any type, trust, or other legal
20 entity.

21 **(z)** ~~(x)~~ "Process" or "processing" means to separate or
22 otherwise prepare parts of a marihuana plant and to compound,
23 blend, extract, infuse, or otherwise make or prepare marihuana
24 concentrate or marihuana-infused products.

25 **(aa)** ~~(y)~~ "Qualifying Indian tribe" means an Indian tribe that
26 meets all of the following conditions:

27 (i) The Indian tribe has entered into an agreement with the
28 cannabis regulatory agency under section 7(2)(b) that is in effect.

29 (ii) The Indian tribe has entered into an agreement with the

1 department of treasury that is in effect and that does all of the
2 following:

3 (A) States that the revenue collected from the tax or fee
4 described in subparagraph (iii) is not state money, and requires that
5 this revenue be retained by and used as determined by only the
6 Indian tribe, if the marihuana subject to the tax or fee was grown
7 and processed on only the Indian tribe's Indian lands.

8 (B) States whether the revenue collected from the tax or fee
9 described in subparagraph (iii) from marihuana not described in sub-
10 subparagraph (A) is subject to revenue sharing between the Indian
11 tribe and this state and, if so, the details of the revenue sharing
12 arrangement.

13 (iii) The Indian tribe imposes a tax or fee on each sale or
14 transfer of marihuana from a tribal marihuana business located in
15 the Indian tribe's Indian lands to a person other than a tribal
16 marihuana business or marihuana establishment. This subparagraph
17 does not prohibit a qualifying Indian tribe from imposing the tax
18 or fee on sales or transfers of marihuana that are not described in
19 this subparagraph. The tax or fee must be based on the sales price
20 of the marihuana and the rate of the tax or fee must be equal to or
21 greater than the rate established under section 13.

22 (bb) ~~(z)~~ "State license" means a license issued by the
23 cannabis regulatory agency that allows a person to operate a
24 marihuana establishment.

25 (cc) ~~(aa)~~ "THC" means any of the following:

26 (i) Tetrahydrocannabinolic acid.

27 (ii) Unless excluded by the cannabis regulatory agency under
28 section ~~8(2)(c)~~, ~~8~~, a tetrahydrocannabinol, regardless of whether
29 it is artificially or naturally derived.

(iii) A tetrahydrocannabinol that is a structural, optical, or geometric isomer of a tetrahydrocannabinol described in subparagraph (ii).

(dd) ~~(bb)~~ "Tribal marihuana business" means a business that meets all of the following conditions:

(i) The business engages in the type of activities licensed under this act.

(ii) The business is not a marihuana establishment.

(iii) The business is wholly owned by a qualifying Indian tribe, the enrolled members of a qualifying Indian tribe, or a combination of a qualifying Indian tribe and the members of that qualifying Indian tribe.

(iv) The business is located in this state and in the Indian lands of the qualifying Indian tribe described in subparagraph (iii).

(v) The business is subject to a tax or fee described in subdivision ~~(y)~~ ~~(iii)~~. **(aa)** (iii) .

(ee) ~~(ee)~~ "Unreasonably impracticable" means that the measures necessary to comply with the rules or ordinances adopted pursuant to this act subject licensees to unreasonable risk or require such a high investment of money, time, or any other resource or asset that a reasonably prudent businessperson would not operate the marihuana establishment.

Sec. 8. (1) The cannabis regulatory agency shall promulgate rules to implement and administer this act that include all of the following:

(a) Procedures for issuing a state license pursuant to section 9 and for renewing, suspending, and revoking a state license.

(b) A schedule of fees in amounts not more than necessary to pay for implementation, administration, and enforcement costs of

1 this act and that relate to the size of each licensee or the volume
2 of business conducted by the licensee.

3 (c) Qualifications for licensure that are directly and
4 demonstrably related to the operation of a marihuana establishment.
5 However, a prior conviction solely for a marihuana-related offense
6 must not disqualify an individual or otherwise affect eligibility
7 for licensure, unless the offense involved distribution of a
8 controlled substance to a minor.

9 (d) Requirements and standards for safe cultivation,
10 processing, and distribution of marihuana by marihuana
11 establishments, including health standards to ensure the safe
12 preparation of marihuana-infused products and prohibitions on
13 pesticides that are not safe for use on marihuana.

14 (e) Testing, packaging, and labeling standards, procedures,
15 and requirements for marihuana, including, but not limited to, all
16 of the following:

17 (i) A maximum THC level for marihuana-infused products.

18 (ii) A requirement that a representative sample of marihuana be
19 tested by a marihuana safety compliance facility.

20 (iii) A requirement that the amount of marihuana or marihuana
21 concentrate contained within a marihuana-infused product be
22 specified on the product label.

23 (iv) A requirement that all marihuana sold through marihuana
24 retailers and marihuana microbusinesses include on the exterior of
25 the marihuana packaging the following warning printed in clearly
26 legible type and surrounded by a continuous heavy line:

27 WARNING: USE BY PREGNANT OR BREASTFEEDING WOMEN, OR BY
28 WOMEN PLANNING TO BECOME PREGNANT, MAY RESULT IN FETAL
29 INJURY, PRETERM BIRTH, LOW BIRTH WEIGHT, OR DEVELOPMENTAL

1 PROBLEMS FOR THE CHILD.

2 (f) Security requirements, including lighting, physical
3 security, and alarm requirements, and requirements for securely
4 transporting marihuana between marihuana establishments. The
5 requirements described in this subdivision must not prohibit
6 cultivation of marihuana outdoors or in greenhouses.

7 (g) Record keeping requirements for marihuana establishments
8 and monitoring requirements to track the transfer of marihuana by
9 licensees.

10 (h) Requirements for the operation of marihuana secure
11 transporters to ensure that all marihuana establishments are
12 properly serviced.

13 (i) Reasonable restrictions on advertising, marketing, and
14 display of marihuana and marihuana establishments.

15 (j) A plan to promote and encourage participation in the
16 marihuana industry by people from communities that have been
17 disproportionately impacted by marihuana prohibition and
18 enforcement and to positively impact those communities.

19 (k) Penalties for failure to comply with a rule promulgated
20 pursuant to this section or for a violation of this act by a
21 licensee, including civil fines and suspension, revocation, or
22 restriction of a state license.

23 (l) Informational pamphlet standards for marihuana retailers
24 and marihuana microbusinesses, including, but not limited to, a
25 requirement to make available to every customer at the time of sale
26 a pamphlet measuring 3.5 inches by 5 inches that includes safety
27 information related to marihuana use by minors and the poison
28 control hotline number.

29 (m) Procedures and standards for approving an appointee to

1 operate a marihuana establishment under section 9a.

2 (n) A limit on the total amount of THC that a product
3 described in section ~~3(f)(v)(A)~~ **3(h)(v)(A)** may contain.

4 (2) The cannabis regulatory agency may promulgate rules to do
5 any of the following:

6 (a) Provide for the issuance of additional types or classes of
7 state licenses to operate marihuana-related businesses, including
8 licenses that authorize any of the following:

9 (i) Limited cultivation, processing, transportation, delivery,
10 storage, sale, or purchase of marihuana.

11 (ii) Consumption of marihuana within designated areas.

12 (iii) Consumption of marihuana at special events in limited
13 areas and for a limited time.

14 (iv) Cultivation for purposes of propagation.

15 (v) Facilitation of scientific research or education.

16 (b) Regulate the cultivation, processing, distribution, and
17 sale of industrial hemp.

18 (c) Exclude from the definition of THC in section 3 a
19 tetrahydrocannabinol if, after the cannabis regulatory agency makes
20 findings with respect to each of the following factors, the
21 cannabis regulatory agency determines that the tetrahydrocannabinol
22 does not have a potential for abuse:

23 (i) The actual or relative potential for abuse of the
24 tetrahydrocannabinol.

25 (ii) The scientific evidence of the tetrahydrocannabinol's
26 pharmacological effect, if known.

27 (iii) The state of current scientific knowledge regarding the
28 tetrahydrocannabinol.

29 (iv) The history and current pattern of abuse of the

1 tetrahydrocannabinol.

2 (v) The scope, duration, and significance of abuse of the
3 tetrahydrocannabinol.

4 (vi) The tetrahydrocannabinol's risk to the public health.

5 (vii) The potential of the tetrahydrocannabinol to produce
6 psychic or physiological dependence liability.

7 (3) The cannabis regulatory agency shall not promulgate a rule
8 that is unreasonably impracticable or that does any of the
9 following:

10 (a) Establishes a limit on the number of any type of state
11 license that may be granted.

12 (b) Requires a customer to provide a marihuana retailer with
13 identifying information other than identification to determine the
14 customer's age or requires the marihuana retailer to acquire or
15 record personal information about customers other than information
16 typically required in a retail transaction.

17 (c) Prohibits a marihuana establishment from operating at a
18 shared location of a marihuana facility operating pursuant to the
19 medical marihuana facilities licensing act, 2016 PA 281, MCL
20 333.27101 to 333.27801, or prohibits a marihuana grower, marihuana
21 processor, or marihuana retailer from operating within a single
22 facility.

23 (4) A rule promulgated under this act must be promulgated
24 pursuant to the administrative procedures act of 1969, 1969 PA 306,
25 MCL 24.201 to 24.328.

26 Sec. 11. **(1)** ~~(a) A marihuana establishment may~~ **shall** not allow
27 ~~cultivation, processing, sale,~~ **do any of the following:**

28 **(a) Cultivate, process, sell,** or display ~~of marihuana or~~ **sell**
29 **or display** marihuana accessories ~~to be~~ **if the cultivating,**

1 **processing, selling, or displaying is** visible from a public place
 2 outside of the marihuana establishment without the use of
 3 binoculars, aircraft, or other optical aids.

4 (b) ~~A marihuana establishment may not cultivate,~~ **Cultivate,**
 5 process, test, or store marihuana at any location other than a
 6 physical address approved by the department and within an enclosed
 7 area that is secured in a manner that prevents access by persons
 8 not permitted by the marihuana establishment to access the
 9 ~~area.~~ **cannabis regulatory agency.**

10 (c) Allow an individual who is younger than 21 years of age to
 11 volunteer or work for the marihuana establishment.

12 (d) Sell or otherwise transfer marihuana that was not
 13 produced, distributed, and taxed in compliance with this act.

14 (e) Sell or otherwise transfer tobacco.

15 (2) ~~(e)~~ A marihuana establishment shall ~~secure~~ **comply with all**
 16 **of the following:**

17 (a) **Cultivate, process, test, and store marihuana within an**
 18 **enclosed area that is secured in a manner that prevents access by**
 19 **persons not allowed by the marihuana establishment to access the**
 20 **area.**

21 (b) **Secure** every entrance to the **marihuana** establishment so
 22 that access to areas containing marihuana is restricted to
 23 ~~employees only~~ **the following:**

24 (i) **Employees** and other persons permitted by the marihuana
 25 establishment to access the area. ~~and to agents~~

26 (ii) **Agents** of the ~~department~~ **cannabis regulatory agency.** ~~or~~
 27 ~~state~~

28 (iii) **State** and local law enforcement officers and emergency
 29 personnel. ~~and shall secure~~

1 **(c) Secure** its inventory and equipment during and after
 2 operating hours to deter and prevent theft of marihuana and
 3 marihuana accessories.

4 ~~(d) No marihuana establishment may refuse representatives~~
 5 **Allow agents** of the ~~department the right~~ **cannabis regulatory**
 6 **agency**, during the **marihuana establishment's** hours of operation, to
 7 inspect the licensed premises or to audit the books and records of
 8 the marihuana establishment.

9 ~~(e) No marihuana establishment may allow a person under 21~~
 10 ~~years of age to volunteer or work for the marihuana establishment.~~

11 ~~(f) No marihuana establishment may sell or otherwise transfer~~
 12 ~~marihuana that was not produced, distributed, and taxed in~~
 13 ~~compliance with this act.~~

14 **(3) (g)** A marihuana grower, marihuana retailer, marihuana
 15 processor, marihuana microbusiness, or marihuana testing facility
 16 or ~~agents acting on their behalf may~~ **its agent shall** not transport
 17 more than 15 ounces of marihuana or more than 60 grams of marihuana
 18 concentrate at ~~one~~ **1** time.

19 **(4) (h)** A marihuana secure transporter ~~may~~ **shall** not hold
 20 title to marihuana.

21 **(5) (i)** ~~No~~ **A** marihuana processor ~~may~~ **shall not** process and ~~no~~
 22 **a** marihuana retailer ~~may~~ **shall not** sell edible marihuana-infused
 23 candy in shapes or packages that are attractive to children or that
 24 are easily confused with commercially sold candy that does not
 25 contain marihuana.

26 **(6) (j)** ~~No~~ **A** marihuana retailer ~~may~~ **shall not** sell or
 27 otherwise transfer marihuana ~~that~~ **unless it** is ~~not~~ contained in an
 28 opaque, resealable, child-resistant package designed to be
 29 significantly difficult for children ~~under~~ **younger than** 5 years of

1 age to open and not difficult for normal adults to use properly as
2 defined by ~~16 C.F.R. 1700.20 (1995)~~, **provided for under 16 CFR**
3 **1700.20**, unless the marihuana is transferred for consumption on the
4 premises where sold.

5 ~~(k) No marihuana establishment may sell or otherwise transfer~~
6 ~~tobacco.~~

7 (7) A person shall not advertise any of the following on a
8 billboard or digital billboard that is located in this state:

- 9 (a) Marihuana.
10 (b) A marihuana-infused product.
11 (c) A marihuana accessory.
12 (d) A marihuana establishment.